



AGENDA

**SPECIAL MEETING OF THE
BOARD OF DIRECTORS
MONDAY, June 06, 2022
10:00 A.M.
(Teleconference Meeting)**

Telecon:

www.ierca.org/calendar

[+1 415-856-9169](tel:+14158569169) United States, San Francisco (Toll)

Conference ID: 253 638 095#

PURSUANT TO AB 361, IERCA BOARD MEETINGS WILL CONTINUE TO BE CONDUCTED THROUGH TELECONFERENCE IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19. THERE WILL BE NO PUBLIC LOCATION AVAILABLE FOR ATTENDING THE MEETING IN PERSON.

TELECONFERENCE ACCESSIBILITY FOR THE GENERAL PUBLIC:

In all efforts to prevent the spread of COVID-19, until further notice, the Inland Empire Regional Composting Authority will be holding all Board meetings by teleconferencing.

The meeting will be accessible at: [\(415\) 856-9169 / Conf Code: 253 638 095#](tel:+14158569169)

The public may participate and provide public comment during the meeting by calling into the number provided above. Public comments may also be submitted to the Recording Secretary at afernandez@ieua.org no later than 24 hours prior to the scheduled meeting time. Comments will be distributed to the Board of Directors.

**CALL TO ORDER
OF THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY BOARD OF
DIRECTORS MEETING**

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

INTRODUCTIONS

INTRODUCTION OF INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY'S NEW ELECTRICAL AND INSTRUMENTATION TECHNICIAN II, JUAN BARAJAS

1. CONSENT CALENDAR

A. ADOPTION OF RESOLUTION NO. 2022-06-02

A Resolution of the Board of Directors of the Inland Empire Regional Composting Authority, making certain findings and determinations regarding special rules for conducting meetings through teleconference.

B. MINUTES

The Board will be asked to approve the minutes from the May 2, 2022, regular meeting.

C. INVESTMENT AND DISBURSEMENT REPORT

It is recommended that the Board of Directors approve for the months of January 2022 - March 2022:

1. Total disbursements in the amount of \$1,481,537.66.

2. There were no new investments during January 1, 2022 – March 31, 2022.

2. ACTION ITEMS

A. ADOPTION OF BUDGET FOR FISCAL YEAR 2022/23

It is recommended that the Board of Directors;

1. Adopt the Inland Empire Regional Composting Authority (IERCA) budget for fiscal year 2022/23;

2. Increase the tipping fee from \$58 to \$59 per wet ton; and

3. Approve a capital call of \$2 million to be shared equally by the Inland Empire Utilities Agency (IEUA) and Los Angeles County Sanitation Districts (LACSD) to support capital improvement project costs and meet the minimum reserve balance, as needed.

B. ANNUAL MANAGEMENT PLAN

It is recommended that the Board of Directors approve the Fiscal Year 2022/23 Annual Management Plan.

C. MASTER SERVICE AGREEMENT WITH RDO EQUIPMENT COMPANY

It is recommended that the Board of Directors:

1. Approve a Master Service Agreement with RDO Equipment Company (RDO) to provide parts, service, and equipment rental in support of the IERCF mobile equipment fleet and stationery trommel screens from an annual not-to-exceed aggregate value of \$1,500,000; and
2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the purchase agreement.

D. ADOPTION OF THE INVESTMENT POLICY FOR FY 2022/23

It is recommended that the Board of Directors adopt Resolution No. 2022-06-01, approving the Authority's Investment Policy for FY 2022/23.

E. WHEEL LOADER PURCHASE

It is recommended that the Board of Directors:

1. Approve the purchase of two Liebherr L-566 wheel loaders with high capacity buckets and cab filtration systems for approximately \$610,000 each including taxes, delivery, and extended warranty; and
2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the agreement.

3. INFORMATION ITEMS

A. PROJECT MANAGER'S REPORT

B. TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE QUARTER ENDED MARCH 31, 2022

C. ASSET MANAGEMENT UPDATE

D. COMPLIANCE UPDATE

4. DIRECTOR COMMENTS

Next regular meeting is scheduled for Monday, August 1, 2022, at 10:00 a.m.

5. ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Recording Secretary (909-993-1744), 48 hours prior to the scheduled meeting so that the Authority can make reasonable arrangements.

Declaration of Posting

I, Adrienne Fernandez, Recording Secretary to the Inland Empire Regional Composting Authority, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Los Angeles County Sanitation District 1955 Workman Mill Road, Whittier, CA and at the IERCA's Administrative Building, 12645 Sixth Street, Rancho Cucamonga, CA and at the IEUA's main office, 6075 Kimball Ave., Chino, CA on Wednesday, June 01, 2022.

Adrienne Fernandez
Adrienne Fernandez, Recording Secretary

**CONSENT
CALENDAR**

1A

RESOLUTION NO. 2022-06-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY, MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING SPECIAL RULES FOR CONDUCTING MEETINGS THROUGH TELECONFERENCE

WHEREAS, Inland Empire Regional Composting Authority (“IERCA”) is a joint powers authority formed on February 27, 2002, as a separate public agency from its Members; and

WHEREAS, all meetings of the Board of Directors of IERCA are conducted in open and public settings in compliance with the Ralph M. Brown Act (Brown Act) so that any member of the public may attend, participate and watch the Authority’s Board of Directors conduct their business; and

WHEREAS, on March 4, 2020, the Governor declared a state of emergency pursuant to Government Code section 8625 due to the COVID-19 pandemic and has recommended, together with local officials, measures for social distancing to assist in abating the spread of COVID-19; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20 which, among other things, suspended certain Brown Act rules governing the use of teleconferencing of local agency board meetings; and

WHEREAS, Executive Order N-29-20 expired on September 30, 2021; and

WHEREAS, the California legislature has enacted, and the Governor has signed into law, AB 361 amending portions of Government Code section 54953, allowing for the continued use of teleconferencing for local agency board meetings while suspending the conditions and restrictions of Government Code section 54953(b)(3) if the legislative body of the local agency makes certain findings; and

WHEREAS, on February 7, 2022, the Board of Directors adopted Resolution No. 2022-02-07, making certain factual findings and determinations, and authorizing the continued use of teleconferencing for IERCA Board meetings for an effective period of 30 days; and

WHEREAS, on March 7, 2022, the Board of Directors adopted Resolution No. 2022-03-01, again making certain factual findings and determinations, and authorizing the continued use of teleconferencing for IERCA Board meetings for an effective period of 30 days; and

WHEREAS, on April 4, 2022, the Board of Directors adopted Resolution No. 2022-04-01, again making certain factual findings and determinations, and authorizing the continued use of teleconferencing for IERCA Board meetings for an effective period of 30 days; and

WHEREAS, on May 2, 2022, the Board of Directors adopted Resolution No. 2022-05-01, again making certain factual findings and determinations, and authorizing the continued use of teleconferencing for IERCA Board meetings for an effective period of 30 days; and

WHEREAS, The Board of Directors must now determine whether to extend the effective period of Resolution 2022-05-01 an additional 30 days, making the appropriate factual findings in support thereof;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Inland Empire Regional Composting Authority hereby make the following findings and determinations:

SECTION 1. The Governor has proclaimed a state of emergency on March 4, 2020 which continues.

SECTION 2. The Governor and local officials have promoted the use of social distancing as a method to abate the spread of COVID-19 within the community. The Board of Directors finds that conducting in person meetings of the IERCA Board of Directors would be inimical to social distancing and would present imminent risks to the health or safety of the attendees and conducting meetings by teleconference would diminish that risk.

SECTION 3. The Board of Directors will continue to conduct Board meetings by teleconference in compliance with Government Code 54953(e) until such time as the Governor has terminated the state of emergency and the risk to health and safety of meeting attendees is sufficiently diminished or as otherwise required by law. Notice of meetings and posted agendas will contain information which allows members of the public to access the meeting and address the Board of Directors and offer public comment including an opportunity for all persons to attend via a call-in option or an internet-based service option.

SECTION 4. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code 54953(e)(3) to extend the time during which meetings of the

Resolution No. 2022-06-02
Findings and Determinations Regarding
Teleconference Meetings
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Board of Directors may be conducted by teleconference without compliance with Government Code 54953(b)(3).

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Findings and Determinations Regarding
Teleconference Meetings
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ADOPTED this 6th day of June 2022,

Jon Blickenstaff Chairperson of the Inland
Empire Regional Composting Authority

ATTEST:

Paul Hofer
Vice Chairperson

STATE OF CALIFORNIA)
)
COUNTY OF SAN BERNARDINO)

I, Paul Hofer, Vice Chairperson of the Inland Empire Regional Composting Authority, DO HEREBY CERTIFY that the foregoing Resolution being No. 2022-06-02, was adopted at a regular meeting on June 6, 2022, of said Authority by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Paul Hofer
Vice Chairperson

**CONSENT
CALENDAR**

1B

**SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY (IERCA)
MAY 02, 2022
10:00 A.M.**

DIRECTORS PRESENT via video/teleconference:

Margaret Finlay, Director
Jasmin A. Hall, Director
Robert Ferrante, Director
Shivaji Deshmukh, Director

DIRECTORS ABSENT

Jon Blickenstaff, Chairperson
Paul Hofer, Vice Chairperson

STAFF PRESENT or via video/teleconference

Jeff Ziegenbein, Project Manager, IERCA
Adrienne Fernandez, Recording Secretary, IERCA
Martin Cihigoyenette, General Counsel
Javier Chagoyen-Lazaro, Acting Treasurer, IERCA
Randy Lee, Director of Operations and Maintenance, IEUA

A special meeting of the Board of Directors of the IERCA was held at the Inland Empire Utilities Agency Headquarters building located at 6075 Kimball Ave, Chino, California and via video/teleconference on the above date.

Director Jasmine A. Hall, called the meeting to order at 10:01 a.m. and she led the pledge of allegiance to the flag. Recording Secretary, Adrienne Fernandez, took a roll call and established a quorum was present.

PUBLIC COMMENT

There we no public comments.

ADDITIONS TO THE AGENDA

There we no changes/additions/deletions to the agenda.

INTRODUCTIONS

There were no introductions.

INFORMATION ITEMS

A. COVID-19 UPDATE

Jeff Ziegenbein, Project Manager, IERCA, provided an update on current Covid-19 cases and percentages in the County of San Bernardino and advised the Agency is following Cal/OSHA and California Department of Public Health (CDPH) requirements.

INFORMATION ITEM ONLY; NO ACTION TAKEN

B. SPECIAL MEETING OF BOARD OF DIRECTORS JUNE 06, 2022

Jeff Ziegenbein confirmed the Board of Directors Special Meeting will be held on June 06, 2022. Martin Cihigoyenette, General Counsel, recommended a Resolution for the continuance of teleconference meetings be added to June agenda.

INFORMATION ITEM ONLY; NO ACTION TAKEN

CONSENT CALENDAR

A. MINUTES

The Board approved the minutes from the February 7, 2022, regular meeting.

The Board approved the minutes from the March 7, 2022, special meeting.

The Board approved the minutes from the April 4, 2022, special meeting.

Moved by Director Deshmukh, seconded by Director Finlay, the motion carried unanimously. The Board of Directors approved the Consent Calendar Items by the following vote:

Ayes: Deshmukh, Ferrante, Hall, Finlay
Noes: None
Absent: Blickenstaff, Hofer
Abstain: None

B. ADOPTION OF RESOLUTION NO. 2022-05-01

Martin Cihigoyenette, General Counsel, provided an explanation of the COVID-19 executive order that had expired pertaining to virtual meetings and the implementation of AB361 Amending the Brown Act, allowing the continuance of teleconference meetings for up to 30 days at a time with the Adoption of a Resolution.

Moved by Director Deshmukh, seconded by Director Finlay, the motion carried unanimously. The Board of Directors approved the Consent Calendar Items by the following vote:

Ayes: Deshmukh, Ferrante, Hall, Finlay
Noes: None
Absent: Blickenstaff, Hofer
Abstain: None

DIRECTORS' COMMENTS

None

With no further business, Director Hall adjourned the meeting at 10:13 a.m.

Adrienne Fernandez, Recording Secretary

APPROVED:

**CONSENT
CALENDAR**

1C



Date: June 6, 2022

To: Honorable Board of Directors^{DS}

From: Javier Chagoyen-Lazaro JC #882
Acting Treasurer

Subject: Investment and Disbursement Report

RECOMMENDATION

It is recommended that the Board of Directors approve for the months of January 2022 - March 2022:

1. Total disbursements in the amount of \$1,481,537.66.
2. There were no new investments during January 1, 2022 – March 31, 2022.

BACKGROUND

The January - March 2022 disbursement activity includes check numbers 8789-8819 in the amount of \$99,119.33 and ACH and Wire Transfer payments of \$1,382,418.33 for vendor payments. A detailed listing of the check register and electronic disbursements (ACH/Wire) is attached.

Payment Type	Checks From – To	Transactions	Total Amount
Check	8789-8819	30	\$ 99,119.33
ACH		88	\$ 1,381,555.33
Wire Transfer		1	\$ 863.00
TOTAL		119	\$ 1,481,537.66

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The total cash and position of the Authority is reduced by the amount of authorized disbursements.

Inland Empire Utilities Agency

Sanitation Districts of Los Angeles County

Regional Composting Auth
 Rancho Cucamonga, CA
 Company code 2000

Check Register
 CEB Disbursements- January-March 2022

04/02/2022 / 18:24:03
 User: CCAMPBREL
 Page: 1

Bank		CEB	CITIZENS BUSINESS BANK		ONTARIO CA 917610000	
Bank Key		122234149				
Acct number		CHECK	231157042			
Check						
Check number from to	Payment	Print date	Crcy	Amount paid (FC)	Recipient/void reason code	Enca./void
008789	2200013143	01/06/2022			voided by SHEATH - Printed incorrectly	01/06/2022
008790	2200013142	01/06/2022	USD	502.61	VERIZON WIRELESS DALLAS TX	01/14/2022
008791	2200013145	01/06/2022	USD	648.00	SAN BERNARDINO COUNTY DEPT OF SAN BERNARDINO CA	01/24/2022
008792	2200013151	01/13/2022	USD	429.06	CASHIER SACRAMENTO CA	02/02/2022
008793	2200013159	01/20/2022	USD	1,363.84	BURRTEC WASTE INDUSTRIES INC FONTANA CA	01/28/2022
008794	2200013158	01/20/2022	USD	404.71	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	01/26/2022
008795	2200013155	01/20/2022	USD	2,560.71	HAAKER EQUIPMENT COMPANY LA VERNE CA	01/26/2022
008796	2200013156	01/20/2022	USD	1,738.00	SIATE WATER RESOURCES CNTRL BRSACRAMENTO CA	01/31/2022
008797	2200013157	01/20/2022	USD	6,004.56	U S BANK FARGO ND	01/26/2022
008798	2200013165	01/25/2022	USD	4,915.00	SAN BERNARDINO COUNTY SAN BERNARDINO CA	02/09/2022
008799	2200013173	01/27/2022	USD	2,559.51	PACIFIC SOUTHWEST INDUSTRIES LAKE ELSTINORE CA	02/01/2022
008800	2200013186	02/03/2022	USD	365.60	CINTAS CORPORATION ONTARIO CA	02/10/2022
008801	2200013210	02/10/2022	USD	193.01	AIRGAS WEST INC PASADENA CA	02/15/2022
008802	2200013209	02/10/2022	USD	251.97	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	02/17/2022
008803	2200013213	02/10/2022	USD	1,629.96	EROLUBE LTD EDMONTON AB	
008804	2200013212	02/10/2022	USD	4,817.93	CUTTING EDGE SUPPLY CO COLTON CA	02/15/2022
008805	2200013211	02/10/2022	USD	656.25	R ALEXANDER ASSOCIATES INC APEX NC	02/16/2022
008806	2200013220	02/17/2022	USD	364.03	CUCAMONGA VALLEY WATER DISTRICTLOS ANGELES CA	02/28/2022
008807	2200013237	02/24/2022	USD	1,745.86	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	03/07/2022
008808	2200013256	03/03/2022	USD	407.72	CINTAS FIRST AID & SAFETY LOCCINCINNATI OH	03/09/2022
008809	2200013257	03/03/2022	USD	3,433.00	PRISM ENTERPRISES LAUGHLIN NV	03/11/2022
008810	2200013255	03/03/2022	USD	3,444.72	SOUTH COAST AQMD DIAMOND BAR CA	03/22/2022
008811	2200013258	03/03/2022	USD	281.37	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	03/10/2022
008812	2200013259	03/03/2022	USD	1,338.18	VERIZON WIRELESS DALLAS TX	03/16/2022
008813	2200013277	03/17/2022	USD	58.58	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	03/21/2022
008814	2200013282	03/21/2022	USD	1,363.84	BURRTEC WASTE INDUSTRIES INC FONTANA CA	03/28/2022
008815	2200013281	03/21/2022	USD	7,568.66	U S BANK FARGO ND	03/29/2022
008816	2200013297	03/24/2022	USD	15,481.85	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	03/29/2022
008817	2200013299	03/24/2022	USD	28,064.72	SPIRAC USA INC NEWNAN GA	
008818	2200013298	03/24/2022	USD	276.92	URIMAGE BLOOMINGTON CA	
008819	2200013310	03/31/2022	USD	6,249.16	APPLIED INDUSTRIAL TECHNOLOGIEPASADENA CA	
* Payment method Check			USD	99,119.33		

Total of all entries

Check Register
CBB Disbursements- January-March 2022

04/02/2022 / 18:24:03
User: CAMPBELL
Page: 2

| Check number from to | Payment | Print date | CrCY | Amount paid (FC) | Recipient/void reason code

| **

| USD | 99,119.33

| Enca./void |

| |

Report: ZFIR TREASURER		Inland Empire Regional Composting		Page	1
For 01/01/2022 ~ 03/31/2022		Treasurer Report		Date	04/02/2022
Check	Payee / Description				Amount
ACH	DOWNS ENERGY 410 LBS Extra Duty	0289721-IN			1,240.59
				- - - - -	
	DOWNS ENERGY	\$			1,240.59
ACH	EGGLETON TRUCKING INC 07/22 Hauling / Load Winchester	2489			317.00
	07/21 Hauling/Load Victorville	2488			353.00
	07/21 Hauling/Load Nuevo Riverside	2487			200.00
	07/21 Hauling/Load Nuevo	2486			852.00
	07/21 Hauling/Load	2485			1,440.00
				- - - - -	
	EGGLETON TRUCKING INC	\$			3,162.00
ACH	HOME DEPOT CREDIT SERVICES Blue Defs,Tl Bg,Elctrl Tps,Wtr Hs,Nzzls,	4013846			268.04
	Blue Defs,Hrd Ht Hdlnps,Dtrngts,Chsl Kt,	7020048			377.49
	Prime Guard & Home Defense	0025853			70.33
				- - - - -	
	HOME DEPOT CREDIT SERVICES	\$			715.86
ACH	MCMASTER-CARR SUPPLY CO Toggle Switches-2 Position/Quick-Disconn	62967409			24.05
				- - - - -	
	MCMASTER-CARR SUPPLY CO	\$			24.05
ACH	MEE INDUSTRIES INC New Nozzles,Reconditoned Nozzles	56372			6,845.89
				- - - - -	
	MEE INDUSTRIES INC	\$			6,845.89
ACH	MODULAR BUILDING CONCEPTS INC 12/21 Trailer/Step/Ramp Rental	210929			921.26
	7/21 Trailer/Step/Ramp Rental	209390			608.14
	8/21 Trailer/Step/Ramp Rental	209704			608.14
	9/21 Trailer/Step/Ramp Rental	210027			608.14
	10/21 Trailer/Step/Ramp Rental	210316			608.14
	11/21 Trailer/Step/Ramp Rental	210626			921.26
				- - - - -	
	MODULAR BUILDING CONCEPTS INC	\$			4,275.08
ACH	DOWNS ENERGY 2350.6 TANK MNTR	0289925-IN			7,465.03
	2,400.00 Gals Red Dyed Diesel Fuel	0290758-IN			7,660.51
	DIESEL EXHAUST FLUID 2 55Gal	0289371-IN			445.48
				- - - - -	
	DOWNS ENERGY	\$			15,571.02
ACH	RDO EQUIPMENT COMPANY VQUI 0622-Fuel Filters-Primary,In-Line	P4148635			91.35
	VQUI 1402-Filters-Breather	P4148435			17.13
	VQUI 1402-Bushing,Cap Screw	P4036835			21.47
	VQUI0622-Repl Cracked Valve	W7607335			14,000.75
				- - - - -	
	RDO EQUIPMENT COMPANY	\$			14,130.70
ACH	BERNELL HYDRAULICS Inv-Tubing,2MPx4MJs	0417610-IN			175.72

Report: ZFIR TREASURER Inland Empire Regional Composting Page 2
 For 01/01/2022 ~ 03/31/2022 Treasurer Report Date 04/02/2022

Check	Payee / Description	Amount
	Inv-Tubings,Tools,Coupler,Pipe Couplings 0419784-IN	396.63
	Inv-Hss-Cmpct Sprl,Crmp Fttngs,Hss,Fml J 0420381-IN	1,028.54
	BERNELL HYDRAULICS	\$ 1,600.89
ACH	ALTA FOODCRAFT	
	Coffees,Sweetner,Cocoa,Pot Cleaner,Stirr 12144652	151.25
	Coffee,Cocoa,Tea Bags,Stirrers-Plastic 12149215	126.46
	ALTA FOODCRAFT	\$ 277.71
ACH	PATTON SALES CORP	
	Flat Bar 4335896	224.12
	PATTON SALES CORP	\$ 224.12
ACH	PALM AUTO DETAIL INC	
	12/2021 Carwash Svcs f/Agency Fleet Vehi 211289-1	815.00
	PALM AUTO DETAIL INC	\$ 815.00
ACH	RDO EQUIPMENT COMPANY	
	VQUI1403-Rpr Bllcrnk Area-Snppng Hrdwr/B W7517235	543.85
	VQUI0623-Install Axal W7563235	3,195.00
	VQUI1402-Hydraulic Problem W7683335	612.50
	RDO EQUIPMENT COMPANY	\$ 4,351.35
ACH	FRONTIER PERFORMANCE LUBRICANT	
	Silver 70 NLGI #1 LBA1504131	2,963.73
	FRONTIER PERFORMANCE LUBRICANT	\$ 2,963.73
ACH	INLAND EMPIRE WINDUSTRIAL CO	
	RCA THR Bush,Nipples,THR CPLG 036607 01	613.27
	INLAND EMPIRE WINDUSTRIAL CO	\$ 613.27
ACH	COUNTY SANITATION DISTRICTS OF	
	7/2021 Construction Inspection,Health,Sa 32652	7,350.17
	COUNTY SANITATION DISTRICTS OF	\$ 7,350.17
ACH	BERNELL HYDRAULICS	
	100R7's Low Temp,Parflex MPT's 0417903-IN	174.66
	Dual Gauges-0-10K,-300 0415924-IN	105.32
	Zerk Greases 0417166-IN	26.20
	Spiral Hoses,Fem Seal -Lok Swvl Crimp 0415923-IN	695.24
	BERNELL HYDRAULICS	\$ 1,001.42
ACH	PRIORITY BUILDING SERVICES LLC	
	6/2021 Janitorial Service Fee 76998	1,373.55
	PRIORITY BUILDING SERVICES LLC	\$ 1,373.55
ACH	MCMaster-CARR SUPPLY CO	
	Inv-Distilled Water-1 Gal Bottles 67376276	46.51
	Strut Channels 66600662	2,524.57

Report: ZFIR TREASURER Inland Empire Regional Composting Page 3
 For 01/01/2022 ~ 03/31/2022 Treasurer Report Date 04/02/2022

Check	Payee / Description	Amount
	Wire Rope,Ciameter Compression Tool,Slee 66106395	788.75
	MCMASTER-CARR SUPPLY CO \$	3,359.83
ACH	EGGLETON TRUCKING INC	
	9/2021 Compost Hauling 2772	867.00
	12/2021 Compost Hauling 3253	425.60
	12/2021 Compost Hauling 3252	1,021.44
	12/2021 Compost Hauling 3251	614.99
	EGGLETON TRUCKING INC \$	2,929.03
ACH	VIRAMONTES EXPRESS INC	
	9/2021 Compost Hauling 123805	203.40
	11/2021 Compost Hauling 124427	644.67
	11/2021 Compost Hauling 124334	16,831.60
	10/2021 Compost Hauling 124253	1,948.12
	10/2021 Compost Hauling 124188	6,747.23
	10/2021 Compost Hauling 124203	2,548.15
	10/2021 Compost Hauling 124104	2,435.15
	11/2021 Compost Hauling 124479	1,062.36
	11/2021-12/2021 Compost Hauling 124551	5,095.24
	RP1-10/14/21 Biosolids Hauling to IERCF 124028	1,948.12
	RP1-9/30/21 to 10/13/21 Biosolids Haulin 123899	5,319.00
	8/2021 Compost Hauling 123402	2,644.20
	8/2021 Compost Hauling 123578	319.20
	12/2021 Compost Hauling 124583	905.58
	RP1-10/15/21 To 10/18/21 Biosolid Haulin 124045	3,816.01
	7/2021 Compost Hauling 123034	514.80
	7/2021 Compost Hauling 123121	713.90
	7/2021 Compost Hauling 122969	2,580.60
	9/2021 Compost Hauling 123882	916.43
	08/04 Compost Hauling 123254	257.40
	08/10 Compost Hauling 123328	516.80
	08/13-08/16 Compost hauling 123377	1,497.10
	08/20-08/23 Compost Hauling 123444	2,319.89
	8/2021 Compost Hauling 123449	203.40
	8/2021 Compost Hauling 123537	1,260.00
	8/2021 Compost Hauling 123588	604.80
	9/2021 Landscaping Services 123641	221.76
	VIRAMONTES EXPRESS INC \$	64,074.91
ACH	HOME DEPOT CREDIT SERVICES	
	Blue Def's-3 2.5 Gal 3012835	42.31
	Wslly Lng Ndl LED,Hldy Dcrtns,Spry Pnts,C 2612856	371.35
	Nexgrill-Gas Grill,Tank w/Gas,Coolor-70Q 6172364	518.67
	Gloves,Bars,Spades,Chisels-Bull/Scaling/ 5013058	294.63
	Spray Paints,Rust Gloss,Locking Pliers,R 3072284	125.73
	HOME DEPOT CREDIT SERVICES \$	1,352.69
ACH	SOUTHWEST ALARM SERVICE	
	Nov. 2021 Monitoring Sec. Serv. 075185	462.00
	SOUTHWEST ALARM SERVICE \$	462.00
ACH	WAXIE SANITARY SUPPLY	
	Towels,Lids,Enmotion,White Bar,Purell 80467603	542.21

Check	Payee / Description	Amount
	WAXIE SANITARY SUPPLY	\$ 542.21
ACH	INDUSTRIAL SUPPLY CO 3" Disc 5751 64.65 Hex Head Cap Screws, Lock Washers 5286 96.20	
	INDUSTRIAL SUPPLY CO	\$ 160.85
ACH	RDO EQUIPMENT COMPANY VQUI0622-Rplc Light-Right Front P3909035 74.34 VQUI0623-Rpr/Rplc/Rbl'd Hydraulic Cylinde W7614935 4,767.96 VQUI0624-Air Filter P4148335 86.71 VQUI0624-Key Ignition Set P4036935 9.22	
	RDO EQUIPMENT COMPANY	\$ 4,938.23
ACH	R & S INDUSTRIAL FIELD SERVICE ACTV-Rplc Tail Pully-BC-19-Rmv Belt Rplc 3318 28,550.63	
	R & S INDUSTRIAL FIELD SERVICE\$	28,550.63
ACH	EGGLETON TRUCKING INC 9/2021 Compost Hauling 2773 4,004.00 1/2022 Compost Hauling 3362 1,624.32 1/2022 Compost Hauling 3341 1,013.40 1/2022 Compost Hauling 3340 2,161.92 12/2021 Compost Hauling 3310 2,041.92 12/2021 Compost Hauling 3263 2,578.56	
	EGGLETON TRUCKING INC	\$ 13,424.12
ACH	PRIORITY BUILDING SERVICES LLC 7/2021 Janitorial Service Fee 77729 1,228.71 11/2021 RCA Janitorial Services 80059 1,228.71 10/2021 Janitorial Service Fee 79565 1,228.71 8/2021 Janitorial Service Fee 78430 1,228.71	
	PRIORITY BUILDING SERVICES LLC\$	4,914.84
ACH	VIRAMONTES EXPRESS INC 9/2021 Compost Hauling 123776 2,260.00	
	VIRAMONTES EXPRESS INC	\$ 2,260.00
ACH	STAPLES CONTRACT & COMMERCIAL Dixie Cutlery Keeper 3492681154 150.85	
	STAPLES CONTRACT & COMMERCIAL \$	150.85
ACH	INLAND EMPIRE WINDUSTRIAL CO RCA Cap Screw, Nylok Nuts, Flt Whsr 038054 01 1,146.51	
	INLAND EMPIRE WINDUSTRIAL CO	\$ 1,146.51
ACH	LIBERTY LANDSCAPING INC 10/2021 Monthly Maintenance 101796 875.00	
	LIBERTY LANDSCAPING INC	\$ 875.00

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Check	Payee / Description		Amount
ACH	RADAR ENVIRONMENTAL INC		
	10/2021 Hazardous Waste Disposal	1461	473.00
	11/2021 Hazardous Waste Disposal	1500	409.00
	12/2021 Hazardous Waste Disposal	1514	1,235.00
			- - - - -
	RADAR ENVIRONMENTAL INC	\$	2,117.00
ACH	AEROTEK INC		
	Parker,J W/E 12/04/21 24 Hours	OC15205842	955.68
	Parker,J W/E 12/11/21 30.5 Hours	OC15233712	1,214.51
	Parker,J W/E 12/18/21 40 Hours	OC15253318	1,592.80
			- - - - -
	AEROTEK INC	\$	3,762.99
ACH	DOWNS ENERGY		
	2,524.00 Gals Red Dyed Diesel Fuel	0292378-IN	9,236.03
	2,250.60 Gals Red Dyed Diesel Fuel	0291530-IN	7,934.54
			- - - - -
	DOWNS ENERGY	\$	17,170.57
ACH	GRAINGER INC		
	Electronic Timer	9134266270	288.85
			- - - - -
	GRAINGER INC	\$	288.85
ACH	KONICA MINOLTA BUSINESS SOLUTI		
	5/30/21-5/29/22 Maintenance Agreement	9007901750	15.96
	7/27/21-8/26/21 Maintenance Agreement	9008004066	6.46
	7/13/21-8/12/21 Maintenance Agreement	9007973365	13.52
	7/1/21-7/31/21 Maintenance Agreement	9007946841	144.17
			- - - - -
	KONICA MINOLTA BUSINESS SOLUTI	\$	180.11
ACH	ALTA FOODCRAFT		
	Coffees,Sweetner,Tea,Pot Cleaner,Filters	12203119	121.15
			- - - - -
	ALTA FOODCRAFT	\$	121.15
ACH	BEJAC CORPORATION		
	Hydrlic Oil,Adptr Cbl,Annl Sub Dngl,DnglE	C04314	2,576.54
			- - - - -
	BEJAC CORPORATION	\$	2,576.54
ACH	EGGLETON TRUCKING INC		
	1/2022 Compost Hauling	3395	357.58
	1/2022 Compost Hauling	3394	4,516.54
			- - - - -
	EGGLETON TRUCKING INC	\$	4,874.12
ACH	SOUTHWEST ALARM SERVICE		
	January 2022 Monitoring Security System	075757	462.00
			- - - - -
	SOUTHWEST ALARM SERVICE	\$	462.00
ACH	SOIL CONTROL LAB		
	1/20/22 Finished Compost Pkg	1120542	349.00
			- - - - -
	SOIL CONTROL LAB	\$	349.00

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Check Payee / Description Amount

ACH	ALMEGA ENVIRONMENTAL		
	4th Qtr Flow Balance	202060	1,805.00
	3rd Qtr Flow Balance	200778	1,805.00
			- - - - -
	ALMEGA ENVIRONMENTAL	\$	3,610.00

ACH	DOWNS ENERGY		
	Deisel Exhaust Fluid	0292711-IN	242.50
	Deisel Exhaust Fluid	0291445-IN	485.01
			- - - - -
	DOWNS ENERGY	\$	727.51

ACH	EGGLETON TRUCKING INC		
	1/2022 Compost Hauling	3409	1,086.72
	1/2022 Compost Hauling	3410	4,532.50
	1/2022 Compost Hauling	3411	317.00
			- - - - -
	EGGLETON TRUCKING INC	\$	5,936.22

ACH	PRIORITY BUILDING SERVICES LLC		
	Dec 2021 RCA Janitorial Services	80600	1,373.55
			- - - - -
	PRIORITY BUILDING SERVICES LLC	\$	1,373.55

ACH	VIRAMONTES EXPRESS INC		
	1/5/22 Compost Hauling	124775	421.20
	1/24-1/26/22 Compost Hauling	124929	8,380.71
	1/19-1/21/22 Compost Hauling	124915	6,498.18
	1/6-1/18/22 Compost Hauling	124821	11,084.58
			- - - - -
	VIRAMONTES EXPRESS INC	\$	26,384.67

ACH	STAPLES CONTRACT & COMMERCIAL		
	Black Toner	3497100740	197.76
			- - - - -
	STAPLES CONTRACT & COMMERCIAL	\$	197.76

ACH	WAXIE SANITARY SUPPLY		
	Perfectouch, Kitchen Towels, White Bar	80651705	275.84
			- - - - -
	WAXIE SANITARY SUPPLY	\$	275.84

ACH	PETE'S ROAD SERVICE		
	Tires for Sweeper	559420-00	265.16
	Cart Tires	550677-00	388.60
	Water Fill Rear Tires Liebherr	546205-00	701.00
			- - - - -
	PETE'S ROAD SERVICE	\$	1,354.76

ACH	GRAINGER INC		
	Recoil Starter, Dust Mop	9125078395	88.91
	Push On Hose Fitting	9226058304	21.15
	Pump, Air Hose	9224246398	293.57
	Solendoid Valve Rebuild Kit, Solenoid Val	9215097602	3,487.35
	Solenoid Valve	9175259937	975.38
	Haz. Loc. Floodlight	9124271652	3,174.03
	Hour Counter	9115648207	366.59
	Convex Mirror	9109506734	187.70

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Check	Payee / Description		Amount
	Linear Actuator	9150515584	223.80
	Compressor Oil Coolant	9151350494	47.11
	Smoke Candles	9149192529	538.50
	Smoke Candles	9156248511	538.50
	Spray Head, Eyewash Spray	9156660137	1,221.77
	Valve Rebuild Kit	9172736986	605.29
	Full Face Respirator	9121166673	273.56
	Full Body Harness	9142073262	1,068.84
	Slotted Shim Asst.	9147498175	943.89
			- - - - -
	GRAINGER INC	\$	14,055.94
ACH	INDUSTRIAL SUPPLY CO		
	Hex Head Cap Screws, Flat Washers, Hex Nut 5554		44.44
	Hx Hd Cp Scrws, Hx Nts, Flt Wshrs, Lck Wshr 5791		139.54
			- - - - -
	INDUSTRIAL SUPPLY CO	\$	183.98
ACH	READY REFRESH BY NESTLE		
	1/22 Bottled Water, Cooler, Cups	12A0029858982	91.66
	12/21 Bottled Water, Cooler, Cups	11L0029858982	165.38
	11/21 Bottled Water, Cooler, Cups	11K0029858982	3.22
			- - - - -
	READY REFRESH BY NESTLE	\$	260.26
ACH	RDO EQUIPMENT COMPANY		
	Gas Cyl Kit	P5231035	274.91
	Inv-Hy-Gard	P5423935	3,551.10
	Inv-Floodlamp	P5452335	706.05
	Inv-Bumper, Screws	P5352335	373.71
	Inv-Starter Motor, Core-John Deer Gator	P5277935	400.72
	Inv-Headliner	P5277835	799.18
	Inv-Hydraulic Filter	P5231535	113.05
	Cushions-D100T, D300T	P5231135	620.20
			- - - - -
	RDO EQUIPMENT COMPANY	\$	6,838.92
ACH	CARRIER CORPORATION		
	Inland Empire Utilities-IERCF Location B 90165785		2,175.00
	06/01-06/30 Maintenance 90134535		2,175.00
	Repair Condenser Motor, Capacitor, Fan Bla 90168973		1,476.10
			- - - - -
	CARRIER CORPORATION	\$	5,826.10
ACH	R & S INDUSTRIAL FIELD SERVICE		
	Emergency Belt Replacement on BC22 3330		31,935.49
	Emergency Repair in Hopper 3344		21,716.84
			- - - - -
	R & S INDUSTRIAL FIELD SERVICE	\$	53,652.33
ACH	EGGLETON TRUCKING INC		
	5/2021 Compost Hauling 2144		263.00
	10/2021 Compost Hauling 2857		353.00
	1/2022 Compost Hauling 3456		454.40
	2/2022 Compost Hauling 3457		2,599.16
	10/2021 Compost Hauling 2856		3,432.00
	10/2021 Compost Hauling 2855		200.00
	10/2021 Compost Hauling 2852		867.00
	5/2021 Compost Hauling 2145		1,760.00

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Check	Payee / Description		Amount
	EGGLETON TRUCKING INC	\$	9,928.56
ACH	PRIORITY BUILDING SERVICES LLC 1/2022 Janitorial Service Fee	81319	1,228.71
	PRIORITY BUILDING SERVICES LLC\$		1,228.71
ACH	VIRAMONTES EXPRESS INC 1/27-2/1/22 Compost Hauling	124976	11,118.51
	VIRAMONTES EXPRESS INC	\$	11,118.51
ACH	STAPLES CONTRACT & COMMERCIAL Labelwriter	3497608650	147.73
	Copy Paper	3497608652	236.10
	STAPLES CONTRACT & COMMERCIAL \$		383.83
ACH	RDO EQUIPMENT COMPANY Inv-Floodlamp	P5452235	706.05
	Rpr 744K Loaders-Loader Frame, Boom Frame	W7921135	86,706.15
	Rpr/Rplc-Bucket Cylinder, AC, Backup Camer	W7819435	4,012.91
	Rpr/Rplc-AC Rcmdtn, Loader Boom, Raised Re	W7985835	7,592.65
	Rplc Missing Parts 744J 0623	W7955035	6,584.10
	VQUI 0623-Rpr Hydrlic Lks Frm Cntrl Vlv -	W8029235	745.50
	RDO EQUIPMENT COMPANY	\$	106,347.36
ACH	PREMIER PRINTING IMPRESSIONS Custom Signs	40604	1,862.31
	Soil Pro Bags	40619	13,037.76
	PREMIER PRINTING IMPRESSIONS \$		14,900.07
ACH	AMTEC Rascon, Y W/E 08/22/21 40 Hours	67923	1,200.00
	Rascon, Y W/E 11/14/21 40 Hours	68920	1,200.00
	Rascon, Y W/E 11/07/21 40 Hours	68894	1,200.00
	Rascon, Y W/E 10/31/21 40 Hours	68749	1,200.00
	Rascon, Y W/E 10/24/21 40 Hours	68657	1,200.00
	Rascon, Y W/E 10/17/21 40 Hours	68565	1,200.00
	AMTEC	\$	7,200.00
ACH	INLAND EMPIRE UTILITIES AGENCY 9/21 NRW Charges	90030116	3,431.49
	12/2021 Bldg Lease Pymt	90030732	6,875.21
	12/21 NRW Charges	90030724	3,533.40
	7/21-9/21 1Q22 Charges	90030327	3,317.37
	2/2022 Bldg Lease Pymt	90031048	6,875.21
	10/21-12/21 2Q22 Charges	90030954	1,912.28
	4/21-6/21 4Q21 Charges	90029686	4,811.85
	5/2021 Bldg Lease Pymt	90029213	6,875.21
	6/2021 Bldg Lease Pymt	90030064	6,875.21
	6/21 NRW Charges	90029474	2,881.62
	10/21 NRW Charges	90030415	3,348.35
	10/2021 Bldg Lease Pymt	90030435	6,875.21
	1/22 NRW Charges	90030931	3,414.12

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Check	Payee / Description		Amount
	11/21 NRW Charges	90030564	3,461.03
	11/2021 Bldg Lease Pymt	90030524	6,875.21
	1/2022 Bldg Lease Pymt	90031047	6,875.21
	7/2021 Bldg Lease Pymt	90030065	6,875.21
	7/21 NRW Charges	90029757	3,192.77
	8/2021 Bldg Lease Pymt	90030066	6,875.21
	8/21 NRW Charges	90029968	3,431.04
	9/2021 Bldg Lease Pymt	90030067	6,875.21
			- - - - -
	INLAND EMPIRE UTILITIES AGENCY\$		105,487.42
ACH	WAXIE SANITARY SUPPLY		
	Dixie Perfectouch	80449836	135.08
	Towels,Mil Blk,Mic Grey,White Bar,Hand S	80533120	734.00
			- - - - -
	WAXIE SANITARY SUPPLY	\$	869.08
ACH	PALM AUTO DETAIL INC		
	Jan/22 Car Wash Mtn.	22189-1	680.00
			- - - - -
	PALM AUTO DETAIL INC	\$	680.00
ACH	ASSOC OF COMPOST PRODUCERS (AC		
	2022 ACP IERCA-LACSD Morshp Rnwl	00180	5,000.00
			- - - - -
	ASSOC OF COMPOST PRODUCERS (AC\$		5,000.00
ACH	INNOVATIVE CONSTRUCTION SOLUTI		
	Replace Belt-IERCA Provided Parts for Jo 20-1434-01		17,297.89
			- - - - -
	INNOVATIVE CONSTRUCTION SOLUTI\$		17,297.89
ACH	Inland Empire Utilities Agency		
	Dec 2021 L&B Charges-IEUA Interco Billin SAP1221-RCAL&		291,483.46
			- - - - -
	Inland Empire Utilities Agency\$		291,483.46
ACH	BERNELL HYDRAULICS		
	Cylinder	0421172-IN	560.00
	Hoses, Cript , Seal	0421171-IN	1,330.16
			- - - - -
	BERNELL HYDRAULICS	\$	1,890.16
ACH	PALM AUTO DETAIL INC		
	2/2022 Carwash Svcs f/Agency Fleet Vehic	22289-1	680.00
			- - - - -
	PALM AUTO DETAIL INC	\$	680.00
ACH	RDO EQUIPMENT COMPANY		
	RCA Switch IGN	P5563235	23.61
	Pump,Latch	P5721935	180.88
			- - - - -
	RDO EQUIPMENT COMPANY	\$	204.49
ACH	DAVID WHEELER'S PEST CONTROL I		
	12/2021 Quarterly Treatment	58838	190.00
	RCA 10/2021 Gopher Control	57622	1,118.00
			- - - - -
	DAVID WHEELER'S PEST CONTROL I\$		1,308.00

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Check	Payee / Description		Amount
ACH	EGGLETON TRUCKING INC		
	2/22 Compost Hauling	3551	1,155.00
	10/2021 Compost Hauling	2910	1,920.00
	12/2021 Compost Hauling	3172 (2021)	1,630.08
	11/29-12/3/21 Compost Hauling	3173 (2021)	3,622.40
	11/29-12/3/21 Compost Hauling	3174 (2021)	3,885.00
	12/2021 Compost Hauling	3206 (2021)	1,957.68
	12/2021 Compost Hauling	3207 (2021)	1,083.84
	12/2021 Compost Hauling	3208 (2021)	3,387.00
	12/2021 Compost Hauling	3209 (2021)	326.28
	02/2022 Compost Hauling	3550	5,810.87
			- - - - -
	EGGLETON TRUCKING INC	\$	24,778.15
ACH	PRIORITY BUILDING SERVICES LLC		
	Feb2022 Prof. Service RCA	81810	1,204.31
			- - - - -
	PRIORITY BUILDING SERVICES LLC	\$	1,204.31
ACH	VIRAMONTES EXPRESS INC		
	5/2021 Compost Hauling	122509	1,635.70
	6/2021 Compost Hauling	122674	1,313.40
			- - - - -
	VIRAMONTES EXPRESS INC	\$	2,949.10
ACH	INLAND EMPIRE WINDUSTRIAL CO		
	THR CPLG IMP,Nipples	038199 01	1,202.88
			- - - - -
	INLAND EMPIRE WINDUSTRIAL CO	\$	1,202.88
ACH	LIBERTY LANDSCAPING INC		
	6/2021 Landscaping Services	98805	875.00
			- - - - -
	LIBERTY LANDSCAPING INC	\$	875.00
ACH	SOLAR STAR CALIFORNIA VI LLC		
	11/2021 Solar 12811 Sixth St	E02M0612-5051	10,615.30
			- - - - -
	SOLAR STAR CALIFORNIA VI LLC	\$	10,615.30
ACH	Inland Empire Utilities Agency		
	Dec 2021 O&M Charges-IEUA Interco Billin SAP1221-RCAO&		382,843.99
			- - - - -
	Inland Empire Utilities Agency	\$	382,843.99
ACH	DOWNS ENERGY		
	Diesel Exhaust Fluid 55 Gals	0293257-IN	242.50
	2,675.80 Gals Red Dyed Diesel Fuel	0293650-IN	9,072.25
			- - - - -
	DOWNS ENERGY	\$	9,314.75
ACH	HOME DEPOT CREDIT SERVICES		
	Water Bottles	9022967	30.24
			- - - - -
	HOME DEPOT CREDIT SERVICES	\$	30.24
ACH	MEE INDUSTRIES INC		
	Nozzle Reconditioning	56920	7,663.74

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Check	Payee / Description		Amount
	MEE INDUSTRIES INC	\$	7,663.74
ACH	ALLIED UNIVERSAL SECURITY SERV		
	Dec. 2021 Monthly Monitoring	11997345	960.75
	P50067 Service Jan-22	12114156	1,095.00
	FEB 22 Monthly Monitoring	12248159	1,095.00
	March 22 Monthly Monitoring	12366181	1,095.00
	ALLIED UNIVERSAL SECURITY SERV\$		4,245.75
ACH	DOWNS ENERGY		
	2,675.80 Gals Red Dyed Diesel Fuel	0293650-CI	9,785.01
	Diesel Exhaust Fluid 2 55Gal, P66 Extra	0294275-IN	1,592.35
	2,675.80 Gals Red Dyed Diesel Fuel	0293650-CM	9,072.25-
	DOWNS ENERGY	\$	2,305.11
ACH	BEJAC CORPORATION		
	F1 Tnk Cp,Wpr Bld,Snsr,Clnt Hse,Hnge,A/c C06178		5,368.45
	BEJAC CORPORATION	\$	5,368.45
ACH	EGGLETON TRUCKING INC		
	3/3/22 Compost Hauling	3600	332.35
	2/28-3/4 Compost Hauling	3601	3,560.40
	EGGLETON TRUCKING INC	\$	3,892.75

Grand Total Payment Amount: \$ 1,381,555.33

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Check	Payee / Description	Amount
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Wire	STATE BOARD OF EQUALIZATION	
	10/1/21-12/31/21 State Sales/Use Tax-4th 101-112048 12	863.00
		- - - - -
	STATE BOARD OF EQUALIZATION \$	863.00

Grand Total Payment Amount: \$ 863.00

**ACTION
ITEM**

2A



Date: June 6, 2022

To: Honorable Board of Directors

From: Javier Chagoyen-Lazaro
Acting Treasurer

Subject: Adoption of IERCA Budget for Fiscal Year 2022/23

RECOMMENDATION

It is recommended that the Board of Directors;

1. Adopt the Inland Empire Regional Composting Authority (IERCA) budget for fiscal year 2022/23;
2. Increase the tipping fee from \$58 to \$59 per wet ton; and
3. Approve a capital call of \$2 million to be shared equally by the Inland Empire Utilities Agency (IEUA) and Los Angeles County Sanitation Districts (LACSD) to support capital improvement project costs and meet the minimum reserve balance, as needed.

BACKGROUND

Pursuant to the Inland Empire Regional Composting Authority Joint Powers Agreement (JPA), an annual operating and capital budget is to be presented and adopted by the JPA Board prior to June 30 each year. The proposed FY 2022/23 budget is based on the following key assumptions:

Revenues

- Increased the tipping fee from \$58 to \$59 per wet ton,
- Increased biosolids receipts from 145,000 tons to 148,500 tons, and
- \$2 million capital call to support the proposed capital improvement plan (CIP).

O&M Expenses

- Maintain staffing at 25 full time equivalent (FTE) positions

Capital Improvement Plan (CIP)

The proposed FY 2022/23 capital improvement plan of \$2.3 million is funded by a combination of reserves and capital call. A summary of the CIP is shown below in Table 1.

Table 1: FY 2022/23 Proposed Capital Improvement Plan

(\$ 000's)	Actual FY 2020/21	Amended Budget FY 2021/22	Proposed Budget FY 2022/23
Replacement & Rehabilitation (R&R)	\$0.798	\$1,545	\$2,275
Capital Expansion	0	0	0
Total	\$798	\$1,545	\$2,275

The proposed FY 2022/23 CIP of \$2.3 million includes the replacement of two Front-End Loaders, Active Hopper, and HVAC and Fire Sprinkler Upgrade improvement projects. Capital replacement and rehabilitation (R&R) continues to be the emphasis of the proposed CIP.

FY 2022/23 Budget Summary

The following section summarizes the proposed FY 2022/23 budget for total revenues, expenses, and capital expenditures.

FY 2022/23 total revenues of \$11.6 million, as shown in Table 2 below, are \$0.5 million higher than FY 2021/22 amended budget, due to the projected increase of biosolids receipts.

Table 2: FY 2022/23 Revenues

REVENUES	\$ 000's	Assumptions
Tipping Fees	\$8,761	Based on 148,500 wet tons per year @ a rate of \$59/ton
Contributed Capital	2,000	Capital call equally shared by IEUA and LACSD to support capital process improvements
Compost Sales/ Organics Waste Recycling/Compost Deliveries	710	100% sales of compost products compost delivery service and green waste recycling.
Biosolids Administration Fees	20	Tipping fee surcharge paid by third party biosolids suppliers.
Interest Income & Other Revenues	64	Assumes 1.0% annual interest rate.
Total Revenues	\$11,555	

Total operating expenses of \$9.3 million proposed for FY 2022/23 are approximately \$0.2 million higher than FY 2021/22 amended budget of \$9.1 million. The key driver for the increase is employment costs related to cost of living adjustment, merit increases, and higher pension and health benefit costs. No change in the authorized staffing level of 25 full time equivalent (FTE) position is proposed. A summary of the FY 2022/23 operating expenses is reported in Table 3.

Table 3: FY 2022/23 Expenses

OPERATING EXPENSES	\$ 000's	Assumptions
Employment	\$4,595	Maintain 25 FTE operation support provided by IEUA/ LACSD.
Materials & Supplies	1,371	Includes facility maintenance supplies, fuel, and biofilter media replacement reserve.
Utilities	1,182	Includes power purchases from the grid, solar renewable energy, and disposal service.
Professional Services	1,190	Includes compost transport and contracted services.
Office & Admin/Insurance	738	Includes software license fees, memberships, insurance and office supplies.
Other Expenses	209	Includes leases/rental and financial expenses, operating fees (Non-Reclaimable Wastewater charges, permits and licenses.)
Total Expenses	\$9,285	

Major capital includes loader and hopper replacements, and HVAC and fire sprinkler upgrades. A capital replacement contingency project of \$500,000 is also proposed to support unforeseen expenditures. Schedule C provides a detailed listing of the proposed CIP.

Table 4: FY 2022/23 Capital Improvement Plan

CAPITAL PROJECTS	\$ 000's	Project Description
Front End Loader Replacement	\$1,200	Procure 2 new Liebherr L-566-wheel loaders to reduce the need for repairs or down time and increase efficiency.
Capital Replacement	500	For minor construction projects and unforeseen capital expenditures.
Active Hopper Replacement	200	Replacement or rehabilitation of the active hopper due to its end of useful life.
Fire Sprinkler Upgrades	200	Replacement of seven Post Indicator Valves (PIV) as recommended during annual inspection.
South MCC HVAC Upgrade	175	Project is necessary to keep regulated temperatures in South MCC Building, needed to protect sensitive electrical equipment.
Total Capital Improvement Plan	\$2,275	

Fund Balance

Based on the proposed budget, the total ending fund balance is estimated to be \$4.2 million at the end of FY 2022/23; no change from the FY 2021/22 amended budget ending balance of \$4.2 million.

Designation of Fund Balance

Maintaining an adequate fund balance is essential in ensuring the JPA's ability to support day-to-day operations and near term operating and capital requirements. Table 5 below summarizes the proposed designation for the estimated fund balance of \$4.2 million at the end of FY 2022/23, along with the intended funding sources. The projected ending reserves meet the minimum required level as defined in the Board adopted Reserve Policy.

Table 5: FY 2022/23 Fund Balance

Fund Balance Category	Description	Estimated Ending Balance as of 6/30/2023 (\$ 000's)	Funding Source
Operating Contingency	Equal to three months of operating expenses to address unforeseen events	\$2,259	Tipping fees
Bio-Filter Replacement	Replacement of one sector per year	350	
Commercial Insurance	Self-insurance program	250	
Capital/Replacement/Rehabilitation	Projected R&R costs over the next 5 years averages about \$8.80 per wet ton	1,338	Capital Call and Tipping Fees
Total		\$4,197	

PRIOR BOARD ACTION

The Board adopted the FY 2021/22 budget on May 3, 2021.

IMPACT ON BUDGET

None.

Attachments:

Attachment A – 2022/23 IERCA Budget Summary (Schedule A)

Attachment B – 2022/23 IERCA Budget Details (Schedule B)

Attachment C – 2022/23 IERCA Budget Project Lists (Schedule C)

Attachment D – 2022/23 IERCA Budget Presentation

Inland Empire Regional Composting Authority
Schedule A - Budget Summary

	Actual 2018/19	Actual 2019/20	ACTUAL 2020/21	ADOPTED 2021/22	AMENDED 2021/22	PROJECTED 2021/22	PROPOSED 2022/23	2023/24	2024/25	2025/26	2026/27
Rate Per Ton	\$56.00	\$56.00	\$57.00	\$58.00	\$58.00	\$58.00	\$59.00	\$60.00	\$61.00	\$62.00	\$63.00
Actual/Projected Tonnage	151,527	147,606	150,217	145,000	145,000	145,000	148,500	148,500	148,500	148,500	148,500
Revenues											
Contributed Capital	\$0	\$0	(\$500,000)	(\$2,000,000)	(\$2,000,000)	(\$1,000,000)	(\$2,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Biosolids Recycling (Tipping Fees)	(8,520,727)	(8,331,673)	(8,606,406)	(8,410,000)	(8,410,000)	(8,410,000)	(8,761,500)	(8,910,000)	(9,058,500)	(9,207,000)	(9,355,500)
Biosolids Recycling Admin Fees	(22,800)	(14,325)	(19,002)	(20,000)	(20,000)	(19,999)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Compost Delivery Svs	(148,750)	(225,750)	(192,752)	(150,000)	(150,000)	(149,999)	(250,000)	(200,000)	(200,000)	(225,000)	(225,000)
Compost Sales	(301,634)	(372,832)	(398,680)	(450,000)	(450,000)	(449,999)	(460,000)	(450,000)	(450,000)	(475,000)	(475,000)
Interest Income	(99,734)	(62,576)	(11,928)	(30,000)	(30,000)	(30,000)	(35,000)	(35,000)	(35,000)	(35,000)	(35,000)
Proceeds from Sale of Assets	(4,791)	(58,977)	11,507	-	-	-	(3,987)	(4,107)	(4,230)	(4,357)	(4,487)
Other Non Operating Revenues	(3,969)	(57,246)	(3,691)	(5,000)	(5,000)	(5,000)	(25,255)	(26,012)	(26,793)	(27,596)	(28,424)
Total Revenues Available for Expenses	(\$9,102,405)	(\$9,123,379)	(\$9,720,952)	(\$11,065,000)	(\$11,065,000)	(\$10,064,997)	(\$11,555,742)	(\$10,645,119)	(\$10,794,523)	(\$10,993,953)	(\$11,143,411)
Expenses											
Labor	\$4,007,594	\$4,205,388	\$4,135,598	\$4,461,100	\$4,461,100	\$4,334,385	\$4,594,900	\$4,732,700	\$4,874,700	\$5,020,900	\$5,171,500
Office & Administration	30,016	37,520	29,447	45,500	45,500	23,486	52,070	53,632	55,241	56,899	58,604
Professional Fees & Services	938,372	1,382,259	1,204,212	1,126,500	1,276,500	1,249,134	1,149,890	1,185,006	1,220,556	1,257,171	1,294,885
Professional Fees - Contract Labor LACSD		\$105,063	\$73,372	\$44,500	\$44,500	\$73,134	\$40,500	\$41,715	\$42,966	\$44,255	\$45,583
Materials & Supplies/O&M Projects	1,130,470	994,681	1,087,677	1,164,000	1,164,000	894,111	1,121,165	1,154,799	1,189,444	1,225,127	1,261,881
Materials - Bio Filter Media Replacement	57,162	100,000	194,103	250,000	100,000	100,000	250,000	250,000	250,000	250,000	250,000
Insurance	265,293	406,254	621,799	647,000	647,000	602,031	686,050	673,672	693,881	714,698	736,139
Operating Fees	102,777	77,554	74,494	84,000	84,000	71,188	90,743	93,466	96,269	99,157	102,131
Utilities	1,158,177	1,182,701	1,134,048	1,154,000	1,154,000	1,113,934	1,181,870	1,217,327	1,253,847	1,291,463	1,330,205
Leases & Rentals	122,757	158,257	106,694	145,000	145,000	113,872	117,700	121,231	124,868	128,614	132,473
Financial Expenses/Non Operating Expense	71,459	85,937	6,323	300	300	300	300	309	318	328	338
Total Expenses	\$7,884,077	\$8,735,614	\$8,667,766	\$9,121,900	\$9,121,900	\$8,575,575	\$9,285,188	\$9,523,857	\$9,802,089	\$10,088,613	\$10,383,739
Capital Projects											
Capital Replacement Project	\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Capital Expansion Projects	2,702	343,565	-	-	-	-	-	-	-	-	-
Total Capital Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Net Profit/(Loss)	(\$948,549)	(\$794,694)	\$255,716	\$943,100	\$398,300	\$177,201	(\$4,446)	\$421,262	(\$407,566)	\$205,340	\$259,672
Reserves											
Beginning Reserve Balance	\$5,290,533	\$4,341,984	\$3,547,290	\$2,789,739	\$3,803,006	\$3,803,006	\$4,201,306	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895
Ending Reserve Balance	\$4,341,984	\$3,547,290	\$3,803,006	\$3,732,839	\$4,201,306	\$3,980,207	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895	\$4,675,568
Operating Contingency (3mths Expenses)	\$1,956,729	\$2,158,904	\$2,118,416	\$2,217,975	\$2,255,475	\$2,118,894	\$2,258,797	\$2,318,464	\$2,388,022	\$2,459,653	\$2,533,435
Replacement Reserve - BioFilter	250,000	250,000	250,000	250,000	250,000	250,000	350,000	350,000	350,000	350,000	350,000
Commercial Insurance	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Capital Replacement & Construction	1,885,255	888,386	1,184,590	1,014,864	1,445,831	1,361,313	1,338,063	1,699,657	1,222,533	1,356,242	1,542,133
Total Reserve Balance	\$4,341,984	\$3,547,290	\$3,803,006	\$3,732,839	\$4,201,306	\$3,980,207	\$4,196,860	\$4,618,122	\$4,210,555	\$4,415,895	\$4,675,568

Inland Empire Regional Composting Authority
Schedule B - Budget Detail

Cost Center	Cost Element	Actual 2018/19	Actual 2019/20	ACTUAL 2020/21	ADOPTED 2021/22	AMENDED 2021/22	PROJECTED 2021/22	PROPOSED 2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Tonage/Rate													
	Tons	151,527	147,606	150,217	145,000	145,000	145,000	148,500	148,500	148,500	148,500	148,500	148,500
	O&M Cost per ton	\$ 52.03	\$ 59.18	\$ 57.70	\$ 62.91	\$ 62.91	\$ 59.14	\$ 62.53	\$ 64.13	\$ 66.01	\$ 67.94	\$ 69.92	\$ 71.97
	Biofilter Media Replacement Reserve	\$ 1.40	\$ 1.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Capital Expansion Cost per Ton	\$ 0.02	\$ 2.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Capital Replacement Cost per Ton	\$ 14.28	\$ 5.68	\$ 5.31	\$ 6.90	\$ 10.65	\$ 9.05	\$ 15.32	\$ 4.71	\$ 9.43	\$ 4.71	\$ 3.37	\$ 4.71
	Total Cost Per Ton	\$ 67.73	\$ 68.59	\$ 63.01	\$ 69.81	\$ 73.56	\$ 68.19	\$ 77.85	\$ 68.85	\$ 75.43	\$ 72.65	\$ 73.29	\$ 76.68
	Member Contributions	\$ -	\$ -	\$ 3.33	\$ 13.79	\$ 13.79	\$ 6.90	\$ 13.47	\$ 6.73	\$ 6.73	\$ 6.73	\$ 6.73	\$ 6.73
	CIP Funded by Reserves	\$ 14.30	\$ 8.01	\$ 1.98	\$ (6.90)	\$ (3.14)	\$ 2.15	\$ 1.85	\$ (2.02)	\$ 2.69	\$ (2.02)	\$ (3.37)	\$ (2.02)
	Rate Per Ton	\$ 53.43	\$ 60.58	\$ 57.70	\$ 62.91	\$ 62.91	\$ 59.14	\$ 62.53	\$ 64.13	\$ 66.01	\$ 67.94	\$ 69.92	\$ 71.97
	Adopted Rate Per Ton	\$ 56.00	\$ 56.00	\$ 57.00	\$ 58.00	\$ 58.00	\$ 58.00	\$ 59.00	\$ 60.00	\$ 61.00	\$ 62.00	\$ 63.00	\$ 64.00
Revenues													
200112	406000 Compost Delivery Svcs	(\$148,750)	(\$225,750)	(\$192,752)	(\$150,000)	(\$150,000)	(\$149,999)	(\$250,000)	(\$200,000)	(\$200,000)	(\$225,000)	(\$225,000)	(\$250,000)
200112	406200 Compost Sales	(301,634)	(372,832)	(398,680)	(450,000)	(450,000)	(449,999)	(460,000)	(450,000)	(450,000)	(475,000)	(475,000)	(500,000)
	Service Charges	(450,384)	(598,582)	(591,432)	(600,000)	(600,000)	(599,998)	(710,000)	(650,000)	(650,000)	(700,000)	(700,000)	(750,000)
200112	404010 Biosolids Recycling (<i>Tiping Fees</i>)	(8,520,727)	(8,331,673)	(8,606,406)	(8,410,000)	(8,410,000)	(8,410,000)	(8,761,500)	(8,910,000)	(9,058,500)	(9,207,000)	(9,355,500)	(9,504,000)
200112	409920 Biosolids Recycling Admin Fees	(22,800)	(14,325)	(19,002)	(20,000)	(20,000)	(19,999)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
	Sales	(8,543,527)	(8,345,998)	(8,625,407)	(8,430,000)	(8,430,000)	(8,429,999)	(8,781,500)	(8,930,000)	(9,078,500)	(9,227,000)	(9,375,500)	(9,524,000)
211112	412030 Energy/Cap Rebates	-	-	-	-	-	-	-	-	-	-	-	-
	Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-
	Operating Revenues	(\$8,993,911)	(\$8,944,580)	(\$9,216,839)	(\$9,030,000)	(\$9,030,000)	(\$9,029,997)	(\$9,491,500)	(\$9,580,000)	(\$9,728,500)	(\$9,927,000)	(\$10,075,500)	(\$10,274,000)
211112	480110 Interest Income	(\$99,734)	(\$62,576)	(11,928)	(\$30,000)	(\$30,000)	(\$30,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)	(\$35,000)
211112	483010 Contributed Capital	-	-	(500,000)	(2,000,000)	(2,000,000)	(1,000,000)	(2,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
211112	493110 Proceeds from Investments	(4,791)	(58,977)	11,507	-	-	-	(3,987)	(4,107)	(4,230)	(4,357)	(4,487)	(4,622)
211112	499010 Other Non Operating Revenues	(3,969)	(57,246)	(3,691)	(5,000)	(5,000)	(5,000)	(25,255)	(26,012)	(26,793)	(27,596)	(28,424)	(29,277)
	Non Operating Revenues	(\$108,493)	(\$178,799)	(\$504,113)	(\$2,035,000)	(\$2,035,000)	(\$1,035,000)	(\$2,064,242)	(\$1,065,119)	(\$1,066,023)	(\$1,066,953)	(\$1,067,911)	(\$1,068,899)
	TOTAL REVENUES	(\$9,102,405)	(\$9,123,379)	(\$9,720,952)	(\$11,065,000)	(\$11,065,000)	(\$10,064,997)	(\$11,555,742)	(\$10,645,119)	(\$10,794,523)	(\$10,993,953)	(\$11,143,411)	(\$11,342,899)

**Inland Empire Regional Composting Authority
Schedule B - Budget Detail**

Cost Center	Cost Element	Actual 2018/19	Actual 2019/20	ACTUAL 2020/21	ADOPTED 2021/22	AMENDED 2021/22	PROJECTED 2021/22	PROPOSED 2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Expenses													
Office & Administration													
211112	511220	\$462	\$44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
211112	511330	283		-	150	150		500	515	530	546	563	580
211112	512010	5,374	6,006	9,418	8,000	8,000	7,699	8,240	8,487	8,742	9,004	9,274	9,552
211112	512210	451	609	709	5,000	5,000	600	4,000	4,120	4,244	4,371	4,502	4,637
211112	512350	2,983	2,731	2,896	2,500	2,500	600	2,575	2,652	2,732	2,814	2,898	2,985
211112	512351						663						
211112	512510												
211112	512520	15,303	5,097	-	16,000	16,000		16,000	16,480	16,974	17,484	18,008	18,548
211112	513010	391	688	575	350	350	1,125	2,000	2,060	2,122	2,185	2,251	2,319
211112	513020												
211112	513030												
211112	514010	5,563	12,200	11,450	12,000	12,000	12,000	12,000	12,360	12,731	13,113	13,506	13,911
211112	514210				500	500		515	530	546	563	580	597
211112	515030	1,425	750	750	1,000	1,000	1,000	1,000	1,030	1,061	1,093	1,125	1,159
211112	516010												
211112	519110	(2,878)	2,315	2,009			(100)	3,090	3,183	3,278	3,377	3,478	3,582
211112	519130	7,045	7,347	2,026			(100)	4,120	4,244	4,371	4,502	4,637	4,776
211112	519160	(3,358)	(873)	(1,594)			(1)	(3,000)	(3,090)	(3,183)	(3,278)	(3,377)	(3,478)
211112	519510	240											
211112	519530	373											
211112	519590	(3,640)	606	1,207	-			1,030	1,061	1,093	1,125	1,159	1,194
Office & Administration Expenses		\$30,016	\$37,520	\$29,447	\$45,500	\$45,500	\$23,486	\$52,070	\$53,632	\$55,241	\$56,899	\$58,604	\$60,362
Materials & Supplies													
211112	512110	\$34,871	\$8,991	\$378	\$0	\$0	\$12,503	\$0	\$0	\$0	\$0	\$0	\$0
211112	512140	32,668	31,755	32,629	36,000	36,000	35,091	37,080	38,192	39,338	40,518	41,734	42,986
211112	512170	667,361	590,251	797,405	650,000	650,000	547,081	700,000	721,000	742,630	764,909	787,856	811,492
211112	512190												
211112	512410	150,979	126,459	123,954	166,000	166,000	145,398	170,980	176,109	181,393	186,834	192,439	198,213
211112	512450		2,403				89						
211112	512610		1,093	-	1,500	1,500	-	1,540	1,586	1,634	1,683	1,733	1,785
211112	512660		1,030	-	500	500	0	515	530	546	563	580	597
211112	512710	224,771	220,555	133,013	275,000	275,000	153,949	175,000	180,250	185,658	191,227	196,964	202,873
211112	512910	19,820	12,144	298	35,000	35,000		36,050	37,132	38,245	39,393	40,575	41,792
211112	512920	57,162	100,000	194,103	250,000	100,000	100,000	250,000	250,000	250,000	250,000	250,000	250,000
Materials & Supplies		\$1,187,632	\$1,094,681	\$1,281,780	\$1,414,000	\$1,264,000	\$994,111	\$1,371,165	\$1,404,799	\$1,439,444	\$1,475,127	\$1,511,881	\$1,549,738
Insurance													
211112	517010	\$264,186	\$406,254	\$621,799	\$600,000	\$600,000	\$602,031	\$650,000	\$636,540	\$655,636	\$675,305	\$695,564	\$716,431
211112	517110	1,107											
211112	517210	-			47,000	47,000		36,050	37,132	38,245	39,393	40,575	41,792
Insurance		\$265,293	\$406,254	\$621,799	\$647,000	\$647,000	\$602,031	\$686,050	\$673,672	\$693,881	\$714,698	\$736,139	\$758,223

**Inland Empire Regional Composting Authority
Schedule B - Budget Detail**

Cost Center	Cost Element	Actual 2018/19	Actual 2019/20	ACTUAL 2020/21	ADOPTED 2021/22	AMENDED 2021/22	PROJECTED 2021/22	PROPOSED 2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Professional Fees & Services													
211112	520110 External Audit Services	\$4,230	\$4,310	\$4,400	\$4,500	\$4,500	\$4,500	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217
211112	520210 Legal Fees - General	26,990	7,860	8,670	20,000	20,000	13,000	20,000	21,218	21,855	22,510	23,185	23,861
211112	520980 Professional Services - Other		243,088	269,909	250,000	250,000	249,375	249,375	256,856	264,562	272,499	280,674	289,094
211112	521015 Contract Labor_I EUA (211112-701009-)	3,940,241	4,205,388	4,135,598	4,461,100	4,461,100	4,334,385	4,594,900	4,732,700	4,874,700	5,020,900	5,171,500	5,326,600
211112	521010 Contract Labor - LACSD	46,868	104,474	62,963	36,000	36,000	65,237	33,000	33,990	35,010	36,060	37,142	38,256
212112	521018 Contract Labor-LACSD	9,024	178	10,409	8,500	8,500	7,897	7,500	7,725	7,957	8,195	8,441	8,695
211112	521030 Contract Burden - LACSD	11,462	412					0	0	0	0	0	0
211112	521050 Contract Materials	1,792	62	3,304			3,153						
211112	521080 Other Contractual Services	856,980	1,086,246	849,873	800,000	950,000	921,366	824,000	848,720	874,182	900,407	927,419	955,242
211112	521110 Outside Svc's-Lndscaping/Weed/Pest C	10,820	6,590	16,838	14,000	14,000	12,218	12,360	12,731	13,113	13,506	13,911	14,329
211112	521120 Outside Services - Security	16,332	15,257	21,113	15,000	15,000	18,271	15,450	15,914	16,391	16,883	17,389	17,911
211112	521130 Outside Services - Janitorial	13,998	13,801	14,685	15,000	15,000	22,815	15,450	15,914	16,391	16,883	17,389	17,911
211112	521220 Laboratory Services - Outside	6,334	5,044	3,477	7,000	7,000	4,436	7,725	7,957	8,195	8,441	8,694	8,955
211112	521410 Computer Systems Maintenance	895		11,943	1,000	1,000		1,030	1,061	1,093	1,125	1,159	1,194
Prof. fees & Services		\$4,945,966	\$5,692,710	\$5,413,181	\$5,632,100	\$5,782,100	\$5,656,653	\$5,785,290	\$5,959,421	\$6,138,222	\$6,322,326	\$6,511,968	\$6,707,265
Operating Fees													
211112	519310 Operating Permits, Licenses & Fees	\$17,496	\$16,734	\$17,785	\$22,000	\$22,000	\$18,800	\$22,660	\$23,340	\$24,040	\$24,761	\$25,504	\$26,269
211112	540110 Wastewater-Volumetric Fees	13,617	8,462	7,455	10,500	10,500	5,250	10,815	11,139	11,474	11,818	12,172	12,537
211112	540210 Strength Charges-BOD/COD	9,546	8,957	7,448	8,500	8,500	7,250	8,755	9,018	9,288	9,567	9,854	10,149
211112	540211 Strength Charges-BOD/COD Imbalance	4,067	1,184	1,904	1,000	1,000	1,150	2,060	2,122	2,185	2,251	2,318	2,388
211112	540220 Strength Charges-TSS	13,249	8,102	5,993	6,500	6,500	4,672	9,785	10,079	10,381	10,692	11,013	11,343
211112	540221 Wste - TSS Imbal			1,042									
211112	540223 Strength Charges-TSS Discrepancy Charge	8,516	3,944	1,877	5,500	5,500	4,066	5,768	5,941	6,119	6,303	6,492	6,687
211112	540330 Capital Improv Proj (CIP) Fees	36,287	30,171	30,990	30,000	30,000	30,000	30,900	31,827	32,782	33,765	34,778	35,822
Operating Fees		\$102,777	\$77,554	\$74,494	\$84,000	\$84,000	\$71,188	\$90,743	\$93,466	\$96,269	\$99,157	\$102,131	\$105,195
Utilities													
211112	545110 Electricity	\$911,093	\$948,915	\$894,172	\$901,000	\$901,000	\$875,584	\$928,030	\$955,871	\$984,547	\$1,014,084	\$1,044,506	\$1,075,841
211112	545220 Solar Power	221,315	206,120	211,820	225,000	225,000	212,000	225,000	231,750	238,703	245,864	253,240	260,837
211112	545310 Cell Phone Accessories	50			200	200		206	212	219	225	232	239
211112	545311 Cell Phone Expenses	7,875	6,906	6,764	7,500	7,500	6,200	7,725	7,957	8,195	8,441	8,694	8,955
211112	545320 Telephone	333	1,962	146	300	300	150	309	318	328	338	348	358
211112	545360 Disposal Service	12,653	11,643	16,555	15,000	15,000	15,000	15,450	15,914	16,391	16,883	17,389	17,911
211112	545370 Water	4,859	7,156	4,592	5,000	5,000	5,000	5,150	5,305	5,464	5,628	5,796	5,970
Utilities		\$1,158,177	\$1,182,701	\$1,134,048	\$1,154,000	\$1,154,000	\$1,113,934	\$1,181,870	\$1,217,327	\$1,253,847	\$1,291,463	\$1,330,205	\$1,370,111
Leases / Rentals													
211112	512730 Equipment Rental (Non Lease)	\$37,730	\$71,744	\$11,890	\$55,000	\$55,000	\$39,387	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982
211112	547110 Building / Trailer Leases	85,028	86,513	86,962	90,000	90,000	78,286	92,700	95,481	98,345	101,296	104,335	107,465
211112	547220 Equipment Lease/Rental - Operations & Ma			7,842	-	-	(3,801)	-	-	-	-	-	-
Lease/Rentals		122,757	158,257	106,694	145,000	145,000	113,872	117,700	121,231	124,868	128,614	132,473	136,447
Operating Expenses		\$7,863,198	\$8,649,677	8,661,444	\$9,121,600	\$9,121,600	\$8,575,275	\$9,284,888	\$9,523,548	\$9,801,771	\$10,088,285	\$10,383,401	\$10,687,340

**Inland Empire Regional Composting Authority
Schedule B - Budget Detail**

Cost Center	Cost Element	Actual 2018/19	Actual 2019/20	ACTUAL 2020/21	ADOPTED 2021/22	AMENDED 2021/22	PROJECTED 2021/22	PROPOSED 2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Financial Expenses													
211112	551010 Bank Service Charges / Fees	\$394	\$0	\$86	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
211112	580020 Loss on Sale of Asset												
211112	580050 Bad Debt Expense	3,016	3,728	3,987									
	Financial Expenses	\$3,410	\$3,728	\$4,073	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
Other Non-Operating Expenses													
211112	580090 Non-Operating Other Expenses	\$17,469	\$82,209	\$2,250									
	Interest Expenses	\$17,469	\$82,209	\$2,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Non-Operating Expenses	\$20,879	\$85,937	\$6,323	\$300	\$300	\$300	\$300	\$309	\$318	\$328	\$338	\$348
Capital Projects													
	Capital Replacement Projects	\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000	\$700,000
	Capital Expansion Projects	2,702	343,565										
	Capital Projects	\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000	\$700,000
	TOTAL EXPENSES	\$10,050,954	\$9,918,073	\$9,465,236	\$10,121,900	\$10,666,700	\$9,887,796	\$11,560,188	\$10,223,857	\$11,202,089	\$10,788,613	\$10,883,739	\$11,387,688
	Net Profit/(Loss)	(\$948,549)	(\$794,694)	\$255,716	\$943,100	\$398,300	\$177,201	(\$4,446)	\$421,262	(\$407,566)	\$205,340	\$259,672	(\$44,789)

**Inland Empire Regional Composting Authority
Schedule C - Projects**

Project No.	Project Title	ACTUAL	ACTUAL	ACTUAL	ADOPTED	AMENDED	PROJECTED	PROPOSED	2023/24	2024/25	2025/26	2026/27
		2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23				
Capital Projects												
Capital Replacement												
RA17001	IERCF Transition Air Duct Improvements	10,644	15,982	18,665				-	-	-	-	-
RA17007	IERCF Building Improvements	37,698	168,678	299,521				-	-	-	-	-
RA19002	IERCF Trommel Screen Improvements	1,363,765	75,893	43,046	200,000	-			-	200,000		-
RA19003	IERCF Front End Loader Replacement		101,019		-	7,127						
RA20003	IERCF Belt Conveyor Improvements	137,165									200,000	
RA20004	IERCF Misc Fan Improvements								-			
RA20005	RCA Capital Replacement		193,563	132,099	500,000	419,000	227,328	500,000	500,000	500,000	500,000	500,000
RA20006	IERCF Exterior Paint		153,750									
RA20007	Compost Storage Conveyor		1,310	(1,310)			27,269					
RA20008	Glulam Repair Roof		3,636	305,449								
RA21001	IERCF Fire Sprinkler Improvements				300,000	-						
RA21002	Front End Loader Replacement					1,037,673	994,964					
RA22001	IERCF Column Repair					81,000	62,660					
RA23001	IERCF Inner Roof Lining Repair								-			
RA23002	IERCF South MCC HVAC Upgrade							175,000				
RA23003	IERCF Active Hopper Replacement							200,000				
RA23004	IERCF Front End Loader Replacement							1,200,000				
RA23005	IERCF Fire Sprinkler Upgrades							200,000				
RA24001	IERCF Corrosion Replacement								200,000			
RA25001	IERCF Compost Storage Facility Tent Cover									700,000		
RA26001	IERCF Projects AMP											
Total Capital Replacement Projects		\$2,164,174	\$838,895	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Capital Expansion												
RA15001	IERCF Baghouse Improvements	2,702	343,532		-			-	-	-	-	-
Total Capital Expansion Projects		\$2,702	\$343,565	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Capital Projects		\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000
Total Projects		\$2,166,876	\$1,182,459	\$797,470	\$1,000,000	\$1,544,800	\$1,312,221	\$2,275,000	\$700,000	\$1,400,000	\$700,000	\$500,000



**FY 2022/23
Proposed Budget**



Key Assumptions



**\$59 per wet Ton –
Tipping Fees
(\$1 Increase)**



**\$2 Million
Capital Call**



**25 FTE Staffing
Level Maintained**



**Timely Upkeep of
Assets to Support
Level of Service**



FY 2022/23 Proposed Budget

(\$ in thousand)	FY 2021/22 Amended Budget	FY 2022/23 Proposed Budget	Increase/ (Decrease)
<i>Tipping fee per wet ton</i>	\$58	\$59	\$1
<i>Wet tons</i>	145,000	148,500	3,500
Operating Revenues	\$9,030	\$9,491	\$461
Operating Expenses	9,122	9,285	163
Net Operating Increase/(Decrease)	(\$92)	\$206	\$298
Other Funding Sources ¹	\$2,035	\$2,064	\$29
Other Uses of Funds ²	1,545	2,275	730
Net Non-Operating Increase/(Decrease)	\$490	(\$211)	(\$701)
Total Net Change	\$398	(\$5)	(\$403)

¹ Includes proposed capital call, interest income, and other non-operating revenues

² Includes planned capital project costs



Capital Improvement Plan

Project Description (\$ in thousand)	FY 2021/22 Amended Budget	FY 2022/23 Proposed Budget	Increase/ (Decrease)
Capital Replacement & Rehabilitation (R&R)	\$419	\$500	\$81
Front End Loader Replacement	1,045	1,200	155
Active Hopper Replacement	-	200	200
South MCC HVAC Upgrades	-	175	175
Column Repair	81	-	(81)
Fire Sprinkler Upgrades	-	200	200
Total Capital Improvement Plan	\$1,545	\$2,275	\$730



Revenues

Increase due to tipping fee and tonnage increases

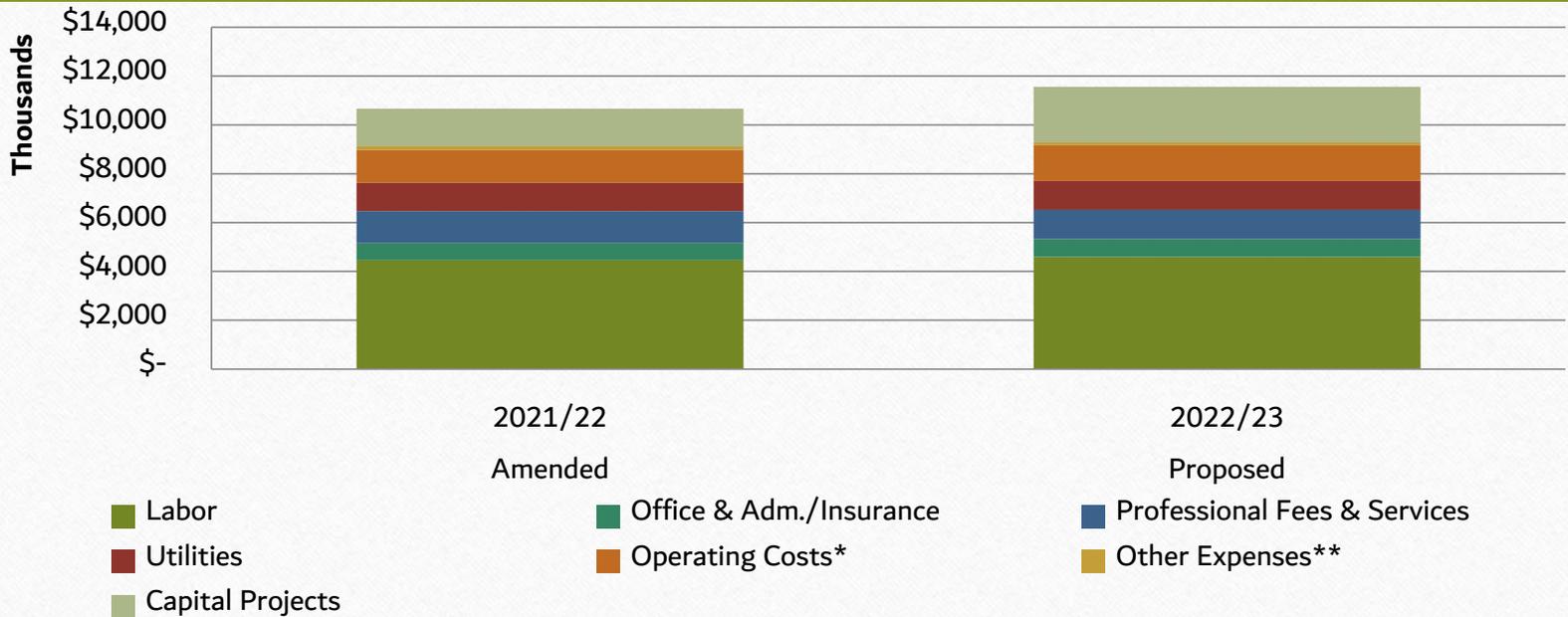


**Other Income include interest income and credits*



Expenses

Increase due to increased capital an operating costs



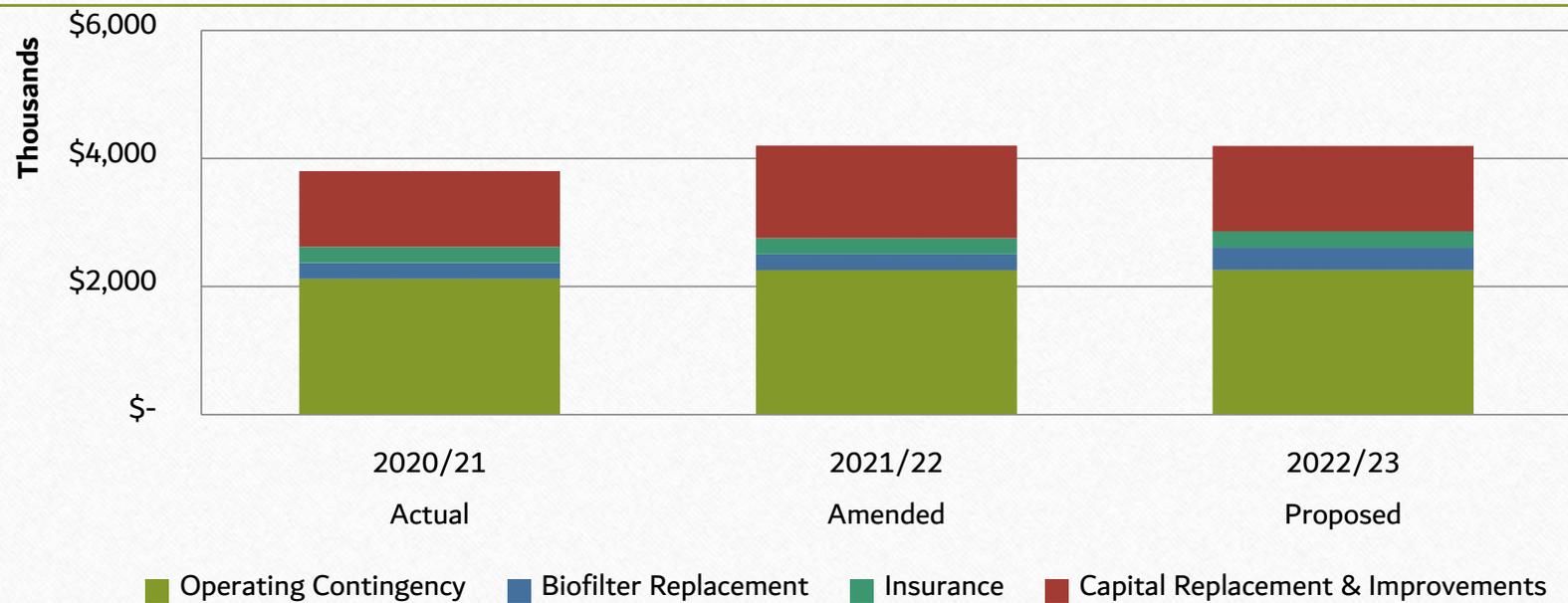
**Operating costs include operating fees, biofilter replacement, materials & supplies*

***Other expenses include lease & rentals, financial expenses*



Fund Balance

Meets Reserve Policy Minimum Reserve Levels



Questions?



ACTION ITEM

2B



Date: June 6, 2022

To: Honorable Board of Directors

From: Jeff Ziegenbein
Project Manager

Mike Sullivan
Assistant Project Manager

Subject: Annual Management Plan

RECOMMENDATION

It is recommended that the Board of Directors approve the Fiscal Year 2022/23 Annual Management Plan.

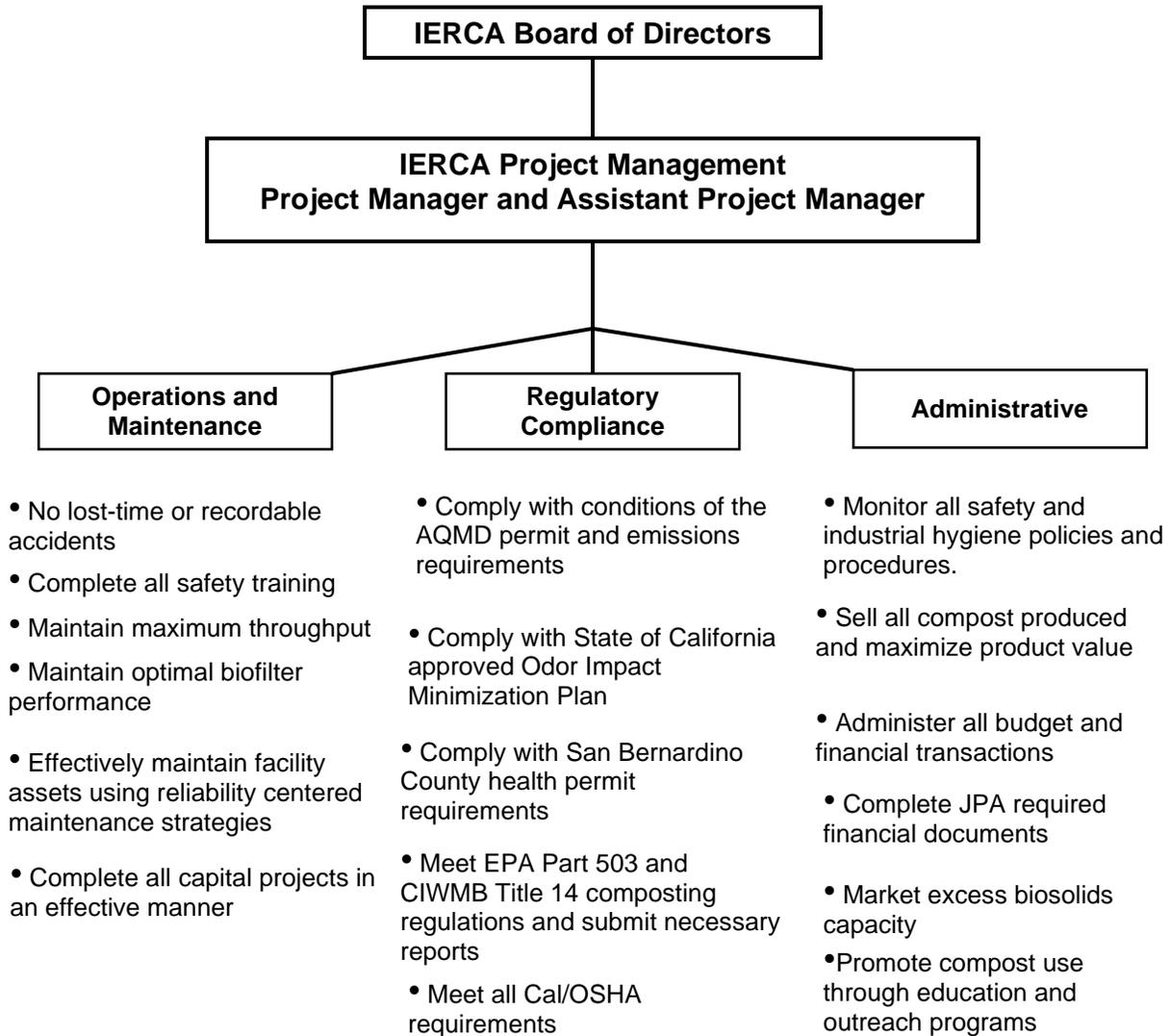
BACKGROUND

The Joint Powers Agreement (JPA) between the Inland Empire Utilities Agency (IEUA) and the Los Angeles County Sanitation Districts (LACSD) requires the development of an Annual Management Plan for the Inland Empire Regional Composting Facility (IERCF). The Plan is to be submitted for Board approval by June of each year. The Project Manager and Assistant Project Manager are responsible for development and implementation of the plan.

The key focus areas of the Annual Management Plan are:

- Maintaining a safe work environment
- Maximizing facility throughput
- Maintaining 100% regulatory compliance
- Maintaining optimal staffing
- Expanding compost markets and selling all compost at optimum pricing

**Fiscal Year 2022/23 Annual Management Plan For the
Inland Empire Regional Composting Facility**



Throughput

The IERCF team will continue to focus on maintaining maximum throughput at the composting facility. IERCF's operating permit through the South Coast Air Quality Management District allows a maximum of 17,715 tons per month of biosolids and amendments to be accepted at the facility. The project is expected to meet or exceed budget projections of 145,000 tons of biosolids for the fiscal year. IERCF is currently receiving 200 tons each week from Orange County Sanitation Districts. The project team will continue to monitor regional biosolids recycling rates and look for opportunities to market IERCF capacity at best value to other biosolids generators. The diversified supply of biosolids will enable the team to ensure that the IERCF remains at maximum throughput.

Compliance

The IERCF team will ensure that the facility remains in compliance with all applicable rules and conditions. The facility has met all permit conditions and completed all regulator inspections without any compliance issues or areas of concern. The compost produced meets EPA standards for Class A Exceptional Quality which is verified through operational documentation and monthly testing at a nationally certified laboratory.

Staffing

Table 1: IERCF Staffing

Title	22/23
Mgr. of Regional Compost Authority	1
Administrative Assistant II	1
Compost Sales Representative	1
Office Assistant	1
Compost Facility Supervisors	2
Compost Operators	9
Compost Workers	2
Maintenance	8
IERCF Total	25

In addition to the IERCF staff, LACSD staff may work part time in several key areas including, but not limited to, safety and industrial hygiene, regulatory compliance, operations, and management support. IEUA staff provides support in key areas including finance, engineering, human resources, technical support, maintenance, and information technologies.

Compost Sales and Marketing

The IERCF sales team will continue to focus on the expansion of compost sales into the agricultural sector. The agricultural market sector currently represents approximately 35% of the IERCF sales and has the potential to purchase and use all of the compost produced at the IERCF. To boost agricultural markets and to develop metrics to quantify environmental benefits, the sales team is exploring the establishment of a local farm project. The project would include an agreement with a local university to monitor and report key parameters such as water savings, carbon sequestration, yield and soil health.

The Project Manager is authorized to enter into pricing agreements based on market conditions. A tiered pricing system was initiated offering incentives to customers to purchase larger volumes of compost in exchange for pricing discounts. The system successfully increased sales and several new and existing customers have purchased volumes that qualified them for these discounts. Additionally, some customers qualify for further pricing incentives in exchange for high-volume commitments. All prices are listed as will called at the IERCF and do not include transportation. Transportation is often provided by the customers, but in the event that IERCA provides the transportation service, a line item is typically added to the sales invoice detailing the reimbursable hauling charges. Compost prices are shown in table 2.

Table 2: IERCF Tiered Pricing Structure

Tier	CYDs/Month	Premium (CYD)
1	<499	\$5.00
2	500-999	\$4.00
3	≥1,000	\$3.50

The management team will continue to evaluate market conditions and adjust prices accordingly. The compost storage facility will continue to be used to buffer market and weather fluctuations.

PRIOR BOARD ACTION

The Fiscal Year 2021/22 Annual Management Plan was approved by the Board of Directors on May 3, 2021.

IMPACT ON BUDGET

None

ACTION ITEM

2C



Date: June 6, 2022

To: Honorable Board of Directors

From: Jeff Ziegenbein *JZ #836*
Project Manager

Mike Sullivan
Assistant Project Manager

Subject: Master Service Agreement with RDO Equipment Company

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve a Master Service Agreement with RDO Equipment Company (RDO) to provide parts, service, and equipment rental in support of the IERCF mobile equipment fleet and stationary trommel screens for five years for approximately \$300,000 per year totaling a not to exceed aggregate value of \$1,500,000; and
2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the purchase agreement.

BACKGROUND

The Inland Empire Regional Composting Facility (IERCF) currently has a master service agreement (MSA) with RDO to provide parts, service and rental for the facility's John Deere front end wheel loaders and a Vermeer screening system. Throughout the term of the existing MSA RDO has provided excellent service and warranties on all the parts and labor. Approximately 1/3 of the replaced parts including labor is currently under warranty with RDO. In our experience we have utilized our warranties frequently thus minimizing the cost to the IERCF.

RDO provides parts on consignment at the IERCF reducing costs and risk for parts supplies while speeding up parts acquisition. RDO also provides field service for repairs at the IERCF or at their shop in Riverside when necessary. They have also provided rental machines at no cost to the IERCA when a machine is down for an extended period of time under warranty.

Staff is recommending that the authorized annual spending limit with RDO be decreased from \$325,000 to \$300,000. This is further reduced from the previous annual limit of \$400,000. This

decrease is due to the replacement of one of the trommel screens and potential loader fleet upgrades. There is sufficient budget available to support the change that will be utilized to maintain the loader fleet and trommel screen.

PRIOR BOARD ACTION

The IERCA Board approved an amendment to the agreement extending through June 30, 2022 and an annual contract increase of \$325,000 on May 3, 2021.

The IERCA Board approved an amendment to the agreement increasing the annual limit to \$400,000 on February 6, 2017.

The IERCA Board approved RDO Master service agreement with an annual not-to-exceed spending limit of \$250,000 during the August 1, 2016 Board meeting.

IMPACT ON BUDGET

Funds are available in the IERCA FY 22/23 budget to cover the cost of the agreement.

ACTION ITEM

2D



Date: June 6, 2022

To: Honorable Board of Directors

From: Javier Chagoyen-Lazaro
Acting Treasurer

Subject: Adoption of the Inland Empire Regional Composting Authority's
Investment Policy for Fiscal Year (FY) 2022/23

RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution No. 2022-6-1 approving the Authority's Investment Policy for FY 2022/23

BACKGROUND

The Investment Policy (Policy) establishes procedures and guidelines by which temporarily idle funds can be managed in a prudent and fiscally sound manner. The Policy encompasses those funds over which the Inland Empire Regional Composting Authority (IERCA) exercises fiscal control, stipulates allowable and unallowable investment alternatives, and establishes parameters for selecting broker/dealers and financial institutions with which the IERCA may do business. The Policy also prioritizes the IERCA's public funds management objectives of safety, liquidity, and yield.

The Policy also mandates a review and approval by the Board be done annually, or whenever there are significant changes. The Policy was last updated and approved on May 3, 2021.

The IERCA Policy is based on the Inland Empire Utilities Agency Investment Policy, which is reviewed annually by the Agency's financial advisor, PFM Asset Management LLC (PFM). PFM's review focuses on four key policy elements: compliance, comprehensiveness, balance, and clarity. Overall, PFM found the Policy to be comprehensive, well written and in compliance with the California Government Code (CGC) Section 53600.

The Authority's Policy continues to emphasize the primary objectives of the investment activities of safety, liquidity, and return on investments, listed in order of priority.

The Policy remains unchanged from the prior year. Attached for your consideration is a copy of the proposed IERCA Investment Policy for FY 2022/23.

Adoption of the IERCA Investment Policy

June 6, 2022

Page 2 of 2

PRIOR BOARD ACTION

On May 3, 2021, the Board of Directors adopted Resolution No. 2021-5-3 approving the Inland Empire Regional Composting Authority FY 2021/22 Investment Policy.

IMPACT ON BUDGET

There is no impact on the Authority's FY 2022/23 budget.

Attachments:

Attachment A- Resolution No. 2022-6-1

Exhibit A – Investment Policy

RESOLUTION NO. 2022-6-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY, ADOPTING AN ANNUAL UPDATE OF THE AUTHORITY'S INVESTMENT POLICY FOR PUBLIC FUNDS

WHEREAS, the Inland Empire Regional Composting Authority (IERCA) cash management system is designated to monitor and forecast expenditures and revenues accurately, thus enabling the IERCA to invest funds to the fullest extent possible; and

WHEREAS, the IERCA operates its cash investments pursuant to the "prudent person rule" under California Government Code Section 53600.3; and

WHEREAS, the Board of Directors of the IERCA adopted Resolution No. 2022-6-1 on June 6, 2022, a "Statement of Investment Policy" was rendered to the Board of Directors on an annual basis; and

WHEREAS, the investment policy for public funds has been reviewed and revised in accordance with Government Code Section 53646 (a)(2), on an annual basis or whenever there are recommended changes, whichever occurs first.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors that:

Section 1. The revisions to the Inland Empire Regional Composting Authority Investment Policy dated June 6, 2022 will be adopted for FY 2022/23.

Section 2. This resolution shall take effect from and after its date of adoption.

Section 3: Upon adoption of this resolution, Resolution No. 2021-5-3 is hereby rescinded in its entirety.

ADOPTED AND APPROVED this 6th day of June 2022.

ATTEST:

Jon Blickenstaff
Chairperson

Paul Hofer
Vice Chairperson



FY 2022/2023 INVESTMENT POLICY

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY
FY 2022/2023 INVESTMENT POLICY

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INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY INVESTMENT POLICY

1.0 POLICY

WHEREAS; The Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code (CGC) § 53600.6 and 53630.1 (CGC §53600.6 and §53630.1);

WHEREAS; the legislative body of a local agency may invest surplus monies, not required for the immediate necessities of the local agency, in accordance with the provisions of CGC §5922 and CGC §53601 et seq.; and

WHEREAS; the Treasurer of the Inland Empire Regional Composting Authority (IERCA) shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the legislative body at a public meeting (CGC §53646[a]).

NOW, THEREFORE, BE IT RESOLVED that the policy of IERCA is to invest funds in a manner which will provide: (i) the maximum security; (ii) the funds necessary to meet the daily cash flow demands of the IERCA; and (iii) the highest investment return while conforming to all statutes governing the investment of IERCA funds within the constraints of this Investment Policy.

2.0 SCOPE

This Investment Policy applies to all surplus monies of IERCA.

Pooling of funds

Except for cash in certain restricted and special funds, IERCA will consolidate cash and reserve balances from all funds to maximize investments earnings and to increase efficiencies regarding investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

3.0 PRUDENCE

The standard of prudence to be used by designated investment signatories shall be the "prudent investor" standard (CGC §53600.3) and shall be applied in the context of managing an overall portfolio. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of IERCA, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to

safeguard the principal and maintain the liquidity needs of the authority.

Designated investment signatories, acting in accordance with written procedures, this investment policy, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

As specified in CGC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds; the primary objectives, in priority order, of the investment activities shall be:

- A. *Safety*: Safety of principal is the foremost objective of the investment program. Investments made by IERCA shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required to prevent any potential loss on any individual security or depository from exceeding the income generated from the remainder of the portfolio.
- B. *Liquidity*: The investment portfolio will remain sufficiently liquid to enable IERCA to meet all operating requirements which might be reasonably anticipated.
- C. *Return on Investments (Yield)*: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed.

5.0 DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from CGC §53600, et seq. Management's responsibility for the investment program is hereby delegated for a one-year period by the legislative body, to the Treasurer who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked by the Board of Directors. Subject to review, the Board of Directors may renew the delegation of the authority each year. The Treasurer shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons/positions responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Treasurer and Administration. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the placement of investments shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer shall maintain a list of approved and authorized financial institutions and brokers/dealers, selected on the basis of credit worthiness, financial strength, experience, and capitalization.

In selecting the *financial institutions* for the deposit or investment of IERCA funds, the Treasurer's consideration shall include the depository's latest equity/asset ratio data and continue to monitor the financial institutions' credit characteristics and financial history throughout the period during which IERCA funds are deposited or invested.

The minimum qualifications for IERCA approved depository/financial institutions include: (i) that they must be at least three (3) years old; have total assets in excess of ten (\$10) billion dollars; a core capital/asset ratio of 5 percent or better; or (ii) have total assets in excess of five hundred million dollars (\$500,000,000); and a core capital/asset ratio of 6 percent or better.

For the services of *banks, savings banks, and savings and loan associations*, depository agreements shall be prepared by the Treasurer and authorized representatives of the respective financial institutions for consideration and execution by the Treasurer.

For *broker/dealer* services utilized to invest in government securities and other investments, the Treasurer is designated to select only brokers/dealers who are licensed and in good standing with the California Department of Securities (CDS), the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), or other applicable self-regulatory organizations. A periodic review of authorized brokers/dealers is essential to serve IERCA's investment needs.

In order to improve quality services, expertise, and credit worthiness, the Treasurer may, on a selective basis, revise the approved list of brokers/dealers to update qualified brokers/dealers under the requirements of this Investment Policy.

The Treasurer shall maintain a list of approved brokers/dealers and submit the list to the Board of Directors as part of the periodic Investment Policy review process, or more frequently as requested by the Board.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

IERCA's investments are governed by Government Code. Within the investments permitted by

the Government Code, IERCA seeks to further restrict eligible investments to the investments listed below. In the event an apparent discrepancy is found between this Investment Policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits listed in this section apply at the date an investment is purchased. Credit ratings, as shown, specify the minimum credit rating category required at the point of purchase.

- A. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- C. State Municipal Securities – Registered treasury notes or bonds issued by any of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency, or authority of any of the 50 states. Securities eligible for investment under this paragraph shall be rated in a rating category of “A” or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO). Short-term municipal securities eligible for investment shall be rated at or above the following credit agencies investment grade ratings; Sp-1 by Standard & Poor’s, F-1 by Fitch, and MIG-1 by Moody’s. These ratings for short term municipal securities signify the issuer’s strong capacity to pay principal and interest.
- D. California Local Agency Municipal Securities – Bonds, notes, warrants or other evidence of indebtedness of a local agency or municipality located within the State of California, including debt securities issued by the IERCA. Securities eligible for investment under this paragraph shall be rated in a rating category of “A” or its equivalent or better by a NRSRO.
- E. Bank deposits, including demand deposit accounts, savings account, and market rate accounts, time deposits, and certificates of deposit in financial institutions located in California. Bank deposits are required to be collateralized as specified under Government Code § 53630 et. seq. Agreements allowing for the waiver of the collateral requirement for that amount of deposit covered by the Federal Deposit Insurance Corporation may be implemented provided the remainder of the deposit is secured by collateral as required by the Government Code.
- F. Negotiable Certificates of Deposit. Negotiable certificates of deposit (NCD) issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to securities rated in a rating category of “A” (long-term) and/or “A-1” (short-term) or their equivalents or better by a NRSRO. NCD for which the full amount of the principal and the interest may be accrued during the maximum term of each certificate is insured by

federal deposit insurance are exempt from the rating requirements. A maximum of 30 percent of the portfolio may be invested in Negotiable Certificates of Deposit. The maximum investment maturity will be restricted to five years.

- G. Placement Service Deposits (PSD). Funds may be placed with a private sector entity that assists in the placement of deposit with eligible financial institutions located in the United States (CGC § 53601.8). The full amount of the principal and the interest that may be accrued during the maximum term of each PSD shall at all times be insured by federal deposit insurance. The maximum portfolio exposure to Placement Service Deposits is limited to 30 percent. The maximum investment maturity will be restricted to five years.
- H. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
 - (1) The entity meets the following criteria:
 - (a) Is organized and operating in the United States as a general corporation;
 - (b) Has total assets in excess of five hundred million dollars (\$500,000,000);
 - (c) Has debt other than commercial paper, if any, that is rated in rating of "A" or its equivalent or better by a NRSRO.
 - (2) The entity meets the following criteria:
 - (a) Is organized within the United States as a special purpose corporation, trust, or limited liability company;
 - (b) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond;
 - (c) Has commercial paper that is rated in a rating category of "A-1" or its equivalent or better by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city county, may invest no more than 25 percent of their moneys in eligible commercial paper.

- I. Local Agency Investment Fund (LAIF) investment pool is a voluntary program created by statute as an investment alternative for California's local governments and special districts and is under the administration of the State Governor of California. All securities purchased by LAIF are under the authority of Government Code § 16429 and § 16480.4. As part of the Pooled Money Investment Account (PMIA), LAIF has oversight by the Pooled Money Investment Board (PMIB), and an in-house Investment Committee. LAIF also has oversight by the Local Agency Investment Advisory Board and is audited by the Bureau of State Audits on an annual basis. Investment in California LAIF cannot exceed the maximum deposit per agency limit as set by the Local Agency Investment Fund.
- J. Local Government Investment Pools (LGIP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code § 6509.7. To be eligible for

purchase, the pool must meet the requirements of CGC § 53601(p).

Whenever the IERCA has any funds invested in a LGIP, the Treasurer shall maintain on file a copy of the pools' current information statement to be reviewed on a periodic basis. Investment in LGIPs cannot exceed the maximum deposit limit as set by each LGIP.

- K. Money Market Funds - Investing solely in U.S. treasury securities and U.S. Government Agency securities, and repurchase agreements relating to the above obligations. To be eligible, these Money Market Funds must have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment advisor with not less than five years' experience and registered or exempt from registration with the SEC, with assets under management in excess of five hundred million dollars (\$500,000,000).
- L. Repurchase Agreements - IERCA may invest in repurchase agreements with banks and dealers with which IERCA has entered into a master repurchase agreement which specifies terms and conditions of repurchase agreements.

Transactions shall be limited to the primary dealers and banking institutions rated in a rating category of "A" or its equivalent or better by a NRSRO, or with a financially stable banking institution which the IERCA has a substantial banking relationship. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the Treasurer and will not be allowed to fall below 102 percent of the value of the repurchase agreement plus the value of collateral in excess of the value of the repurchase agreement. To conform with the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States.

- M. Medium Term Notes (MTN): MTNs defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases in this category shall not exceed 30 percent of the portfolio and must be rated in a rating category of "A" or its equivalent or better by a NRSRO.

Ineligible Investments: Investments not described herein, including but not limited to, reverse repurchase agreements and common stocks are prohibited from use in this portfolio. This Investment Policy further specifically disallows investments in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity. IEUA may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. IEUA may hold these instruments until their maturity dates.

9.0 AUTHORIZED INVESTMENTS FOR BOND PROCEEDS

Bond proceeds shall be invested in the securities permitted pursuant to Board approved bond documents. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in the securities permitted by this policy. Notwithstanding the other provisions of this Investment Policy, the dollar portfolio, percentage, and term limitations listed elsewhere in the Investment Policy do not apply to bond proceeds. In addition to the securities listed in Section 8.0 above, bond proceeds may be invested in a structured investment product if approved by the Treasurer.

10.0 SAFEKEEPING AND CUSTODY

As required by CGC §53601 all security transactions entered by IERCA shall be conducted on Delivery versus Payment basis. Delivery versus Payment or DVP basis means all securities purchased or acquired shall be delivered to IERCA by book entry, physical delivery, or third-party custodial agreement. Investments in the state pool, local government investment pools, or money market funds are undeliverable, and therefore, not subject to the delivery or third-party safe keeping requirements.

11.0 DIVERSIFICATION

The Board of Directors recognize that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. Portfolio diversification is employed to minimize these risks. Investment signatories are expected to display prudence in the selection and/or approval of securities, to minimize the risks present in the investment portfolio. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. To promote diversification, no more than 5- percent of the portfolio may be invested in the securities of any one issuer, regardless of security type; except for U.S. Treasuries, federal agencies, and pooled investments such as LAIF, federal agencies, money market funds, and local government investment pools.

The Board of Directors acknowledges that from time to time certain situations may arise during which strict adherence to an inflexible investment policy may be overly restrictive. On a case by case basis, the Board of Directors may consider any pertinent information of such situations and may, by minute action, modify or waive, within the constraints of CGC §53601 et seq., any of the provisions and/or restrictions of this Investment Policy.

The Treasurer shall periodically establish diversification guidelines, within the context of this policy, and strategies to control any risks of default, market price changes, and illiquidity.

12.0 TRADING OF SECURITIES

A trade is the movement from one security to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. The purchase and sale transaction and the sale transaction must each be recorded separately and any losses or gains on the sale must be recorded.

The Treasurer may obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments based on investment analysis recommended by staff in adhering to the Investment Policy guidelines. Competitive bids can be also obtained by any communication channels when necessary.

13.0 MAXIMUM MATURITIES

Where no maturity limit is stated for an investment under Section 8.0, no investment shall be made in any security that at the time of the investment, has a remaining term to maturity in excess of five years unless the Board of Directors has granted express authority to make that investment either specifically or as part of a previous investment program no less than three (3) months prior to the investment. Any investment currently held at the time the investment policy is adopted which does not meet the new policy guidelines will be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation such funds shall be reinvested only as provided in the most current policy.

14.0 PORTFOLIO MATURITY LIMITATION

The weighted average maturity of the entire portfolio shall not exceed three (3) years.

15.0 MONITORING CREDIT RATINGS

The Treasurer shall monitor the ratings of all investments in their portfolios on a continuous basis. If an existing investment's rating drops below the minimum allowed for new investments made pursuant to this policy, the Treasurer shall make a written recommendation to the Board as to whether this security should be held or sold prior to maturity.

16.0 REPORTING

The Treasurer shall submit to each member of the Board of Directors a quarterly investment report. This report will include the elements of the quarterly report as recommended by CGC §53646, to include:

- a. Type of investment
- b. Name of institution
- c. Date of maturity
- d. Amount of deposit or cost of the security and the par value
- e. Current market value of all securities

- f. Rate of interest/earnings (yield)
- g. A monthly list of transactions

CGC §53646(b) (2), (3) recommends that the investment report must include a statement that (i) all investment actions executed since the last investment report have been made in full compliance with the Investment Policy or a Board of Directors' minute action (wavier) and, that (ii) IERCA will meet its expenditure obligations for the next six months. The Treasurer shall maintain a complete and timely record of all investment transactions in support of the above statement.

17.0 INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining a control structure designed to ensure that the assets of the IERCA are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation and benefits require estimates and judgments by management.

An annual independent review by an external auditor to assure compliance with policies and procedures will be performed as part of the IERCA's annual audit.

18.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. To determine whether market yields are being achieved, the Treasurer shall identify comparable benchmarks to the portfolio investment duration, (e.g. 90-day US Treasury Bill, 6-month US Treasury Bill, average LAIF yield rate). This comparative analysis is included in investment report presented to the Board of Directors on a quarterly basis.

19.0 POLICY REVIEW

This investment policy shall be reviewed regularly to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return and its relevance to current law and financial and economic trends. The Board shall be responsible for maintaining guidance over this investment policy to ensure that IERCA can adapt readily to changing market conditions and approve any modification to the investment policy prior to implementation.

20.0 STATE LAW

The legislated authority of the IERCA's investments is covered in Sections 53601, 53607, 53635, 53638, 53646, 53652, and 53653 of the Government Code. It is the policy of the IERCA to comply with the State laws governing its investments.

21.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Board of Directors of IERCA. Moreover, the Policy shall be reviewed whenever there are recommended changes or annually, whichever occurs first, and modifications must be approved by the Board of Directors.

ADOPTED AND APPROVED:

Name:

Title:

Date:

APPENDIX 1: GLOSSARY OF CASH MANAGEMENT TERMS

BOND PROCEEDS:

The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BROKER:

A broker acts as an intermediary between a buyer and seller for a commission and does not trade for his/her own risk and account or inventory.

CERTIFICATE OF DEPOSIT (CD):

A time deposit with a specific maturity evidenced by a certificate.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS):

A private CD placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

COLLATERAL:

Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER:

A short-term, unsecured, promissory note with a fixed maturity of no more than 270 days. By statute, these issues are exempt from registration with the U.S. Securities and Exchange Commission.

CREDIT RISK:

The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

CUSTODIAN:

A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER:

A dealer, as opposed to a broker, acts as a principal in all transaction, buying and selling for his own risk and account or inventory.

DELIVERY OF SECURITIES:

There are two methods of delivery of securities: *Delivery versus Payment* and *Delivery versus Receipt*. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of signed receipt for the securities.

DIVERSIFICATION:

Dividing investment funds among a variety of securities offering independent returns.

DURATION:

A measure of the timing of the cash flows to be received from a given-fixed income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):

A federal agency that insures bank deposits.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA):

The Financial Industry Regulatory Authority (FINRA) is the largest independent regulator for all securities firms doing business in the United States. All told, FINRA oversees over 4,200 brokerage firms, about 162,000 branch offices and approximately 634,000 registered securities representatives.

INTEREST ONLY STRIPS:

The interest portion of a Treasury note or bond that has been stripped of its principal component through the commercial book-entry system.

INTEREST RATE RISK:

The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

INVERSE FLOATER:

Fixed income instruments whose coupon or interest rate is periodically reset according to a short-term rate index such as LIBOR, or prime rate. Unlike the traditional floating rate instrument, however, the inverse floater's rate is set equal to a fixed rate minus the short-term rate index.

INVESTMENT POLICY:

A clear and concise statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

INVESTMENT PORTFOLIO:

A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

LIQUIDITY:

The measure of an asset's ability to be converted easily and rapidly into cash with minimum risk on principal.

LOCAL AGENCY INVESTMENT FUND (LAIF):

An investment pool managed by the California State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

MARKET VALUE:

The price at which a security is currently being sold in the market. See FAIR VALUE.

MASTER REPURCHASE AGREEMENT:

A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY:

The date that the principal or stated value of a debt instrument becomes due and payable.

MEDIUM-TERM NOTES (MTNs):

Corporate notes, having any or all the features of corporate bonds and ranging in maturity from nine months out to thirty years. The difference between corporate bonds and MTNs is that corporate bonds are underwritten.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO):

A rating organization designated by the SEC as being nationally recognized, such as Moody's Investor Service, Inc. (Moody's), Standard & Poor's (S&P), and Fitch Ratings (Fitch).

NEGOTIABLE CERTIFICATES OF DEPOSIT:

Time deposits issued by Federal Deposit Insurance Corporation (FDIC) insured banks and are underwritten by the Financial Industry Regulatory Authority (FINRA) registered Broker/Dealers. Also known as "DTC Eligible CDs" or "Brokered Deposits", this type of deposit is offered to investors by issuing institutions looking to raise liquidity and funding through the wholesale and institutional markets.

PAR VALUE:

The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in increments of \$1,000 per bond.

PRIMARY DEALER:

A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker/dealers, banks and a few unregulated firms.

PRINCIPAL:

The face or par value of a debt instrument or the amount of capital invested in a given security.

PRUDENT INVESTMENT STANDARD:

The way a prudent person of discretion and intelligence would be expected to manage the investment program in seeking a reasonable income and preservation of capital.

RATE OF RETURN:

- 1) The yield which can be attained on a security based on its purchase price or its current market price.
- 2) Income earned on an investment, expressed as a percentage of the cost of the investment.

REPURCHASE AGREEMENT (RP OR REPO):

A holder of securities (e.g. investment dealer) sells these securities to an investor (e.g. the IERCA) with an agreement to repurchase them at a fixed date. The security "buyer" (e.g. the IERCA) in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate the "buyer" for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO):

A counter party (e.g. investment dealer) buys the securities from the holder of securities (e.g. the IERCA) with an agreement to sell them back at a fixed date. The counter party in effect lends the seller (e.g. the IERCA) money for the period of the agreement with terms of the agreement structured to compensate buyer.

SAFEKEEPING:

A service banks offer to clients for a fee, where physical securities are held in the bank's vault for protection and book-entry securities are on record with the Federal Reserve Bank or Depository Trust Company in the bank's name for the benefit of the client. As agent for the client, the safekeeping bank settles securities transactions, collects coupon payments, and redeems securities at maturity or, if called, on the call date.

SECURITIES:

Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness of equity.

WEIGHTED AVERAGE MATURITY (WAM):

The average maturity of all the securities that comprise a portfolio, typically expressed in days of years.

YIELD:

The annual rate of return on an investment expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security.

ACTION ITEM

2E



Date: June 6, 2022

To: Honorable Board of Directors

From: Jeff Ziegenbein *JZ #836*
Project Manager

Mike Sullivan
Assistant Project Manager

Subject: Wheel Loader Purchase

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the purchase of two Liebherr L-566 wheel loaders fully equipped with high capacity buckets and cab filtration systems for approximately \$610,000 each including taxes, delivery, and extended warranty; and
2. Authorize the IEUA Manager of Contracts and Procurement to finalize and execute the agreement.

BACKGROUND

On November 1, 2021, the IERCA Board approved staff's recommendation to purchase a second Liebherr L-566 wheel loader. Staff made the recommendation after confirming Liebherr's proprietary emission technology and waste package, making the loader uniquely suitable for the IERCF environment. Staff has been operating the two loaders without any major issues and is ready to recommend the procurement of two additional loaders to complete the fleet of loaders required to carry out production at the IERCF.

As previously reported, the California Air Resources Board (CARB), under the In-Use Off-Road Diesel-Fueled Fleets Regulation, is required to reduce oxides of nitrogen (NOx), diesel particulate matter (PM), and other criteria pollutant emissions from off-road fleets. In doing so, the regulation requires that fleets meet a decreasing target average emission rate each year through 2028, which would force the phase-out of older engine models (Tier 0 to Tier III) for Tier IV engines. IERCF staff expressed concerns that there were no compatible Tier IV engines available which may create a compliance issue or excessive cost increases to maintain equipment not suited for the IERCF. Staff's experience with the Liebherr technology since August of last year has provided significant

confidence in the machine. In fact, the Liebherr is far better suited for the IERCF environment as they are designed specifically for waste sector applications. For example, they have standard anti-corrosion packages, high-visibility cockpits, sealed cabs, high-capacity radiators, and heavy-duty pins to allow for industrial use. IERCF staff have documented the Liebherr loaders use less than half of the fuel of the John Deere loaders they are replacing.

Grant Opportunity

The South Coast Air Quality Management District (SCAQMD), in order to assist with improving air quality in the region, administers a state-funded grant program (Carl Moyer) designed to provide grant funding for cleaner-than-required engines, equipment, and other sources of air pollution. The IERCF team, IEUA compliance and grants teams, applied for and were awarded a grant to replace two of the oldest loaders from IERCF's fleet with new Tier IV models. The grant offers \$164,437 for the two units. The grant requires the units be destroyed, taken out of service, and a new comparable unit is placed into service with operating hours documented and submitted back to the SCAQMD. The grant represents a 13.5% reduction in net cost to the Authority. The cost savings and repair cost reductions coupled with high fuel cost reductions are all contributing factors in staff's recommendation to approve the procurement of the two new wheel loaders.

Staff recommends executing the grant per the terms of the SCAQMD contract and purchasing two additional Liebherr L-566 wheel loaders, completing the fleet and new loader purchase requirements for the next several years.

PRIOR BOARD ACTION

The Board approved the purchase of one Liebherr L-566 for approximately \$450,000 and a budget amendment of \$450,000 November 1, 2021.

The Board approved the purchase of one Liebherr L-566 for approximately \$540,000 and a budget amendment of \$40,000 May 3, 2021.

The Board approved a budget of \$500,000 for wheel loader replacement on May 4, 2020.

IMPACT ON BUDGET

Funds for the purchase of two Liebherr L-566 wheel loaders are available in the FY22/23 budget if approved.

INFORMATION ITEM

3A



Date: June 6, 2022

To: Honorable Board of Directors

From: Jeff Ziegenbein *JZ #836*
Project Manager

Mike Sullivan
Assistant Project Manager

Subject: Project Manager's Report

RECOMMENDATION

This is an information item for the Board to receive and file.

BACKGROUND

Operations

The Inland Empire Regional Composting Facility (IERCF) continued to maintain maximum throughput levels processing up to 850 wet tons of biosolids and amendments daily, Monday through Friday each week.

Since the last update, the IERCF staff has:

- Maintained compost sales volumes on pace with production volumes
- Continued a strong safety record of over 1,000 days with no recordable if or lost time incidents
- Received 1 additional Liebherr XPower front end loader for a total of 2
- Achieved a new record in the processing of 2 million tons of biosolids since the start of operations in 2007
- On boarded a new Electrical and Instrumentation Technician

Table 1 lists materials processed for the current fiscal year 2021/22, July 1, 2021 - March 31, 2022, the same period in the previous fiscal year 2020/2021, and since start-up in April 2007 through March 31, 2022.

Table 1: Process summary

	FY 2021/22	FY 2020/21	2007-2022
Biosolids Processed (wet tons)	114,187	111,218	2,024,291
Amendments Processed (wet tons)	36,310	31,057	756,504
Compost Sold (cubic yards)	163,417	159,882	3,162,281

COVID-19

As of May 16, 2022, COVID-19 cases in San Bernardino County dropped from a high of 31 percent in January 2022 to less than 2.1 percent positivity rate per 100,000 people. There have been no changes to the current Covid-19 protection requirement by health care officials. Some items of interest:

1. IEUA is continuing to follow Cal/OSHA and California Department of Public Health (CDPH) requirements.
2. There have been no new cases of COVID-19 among IERCF staff.
3. The IEUA Board approved a resolution on May 18, 2022 regarding special rules for conducting board meetings through teleconference and may be considering the approval of another resolution in June.

AWARDS

IERCA was recognized for two awards during the quarter:

- US Composting Council 2021 Composter of the Year Award – Large Scale
- California Water Environment Association 2021 Plant Safety Award

Maintenance

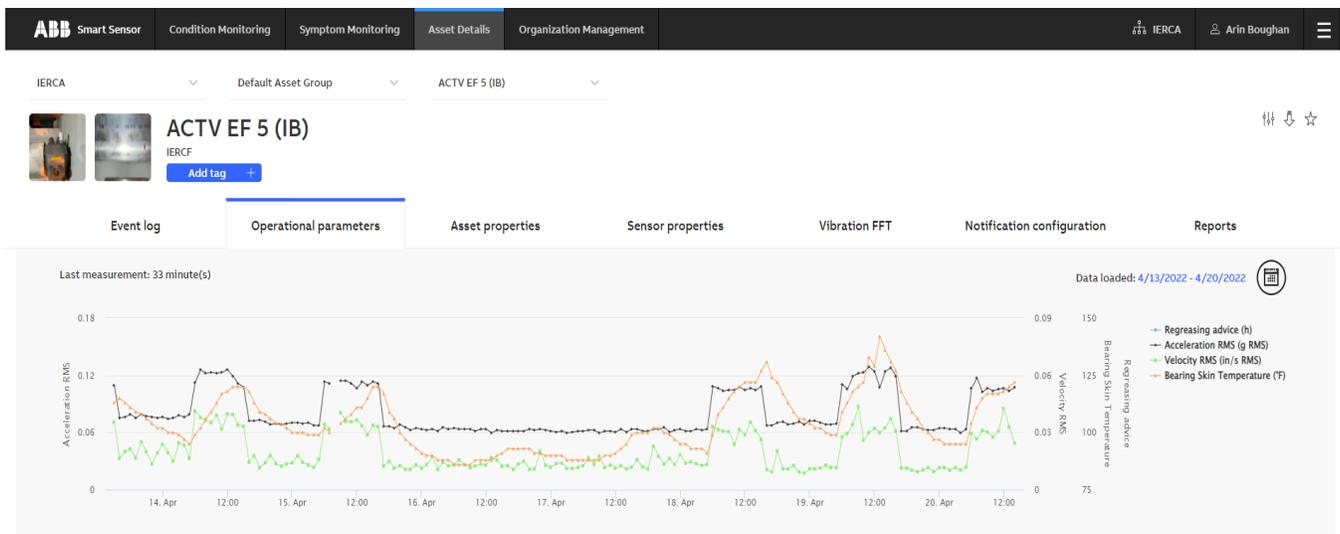
As previously discussed, the Maintenance Team installed a Dodge Smart Sensor technology on a set of fan bearings in our North fan corridor. This technology allows for remote monitoring via a web portal along with an app on our mobile devices. The sensors are monitoring for temperature and vibration and have multiple warning levels that send push notifications when a bearing or gear drive begins to run out of our predetermined parameters. This can prevent premature failure of components associated with that piece of equipment, along with an important safety aspect to ensure a bearing failure will not result in a potential fire hazard.

The Dodge Smart Sensor converts traditional motors, pumps and mounted bearings into smart, wirelessly connected devices. It measures key parameters from the surface of the equipment which can be used to gain meaningful information on the condition and performance of the equipment, enabling users to identify inefficiencies within their system and to reduce risks related to operation and maintenance. Maintenance can now be planned according to actual needs rather than based on generic schedules. This extends the lifetime of equipment; cuts maintenance costs and reduces or prevents unplanned downtime due to breakdowns.

Key features of the bearing technology:

- Identify inefficiencies within your system
- Uncover potential for energy savings
- Reduce risks related to operation and maintenance
- Prevent unexpected downtime
- Cut maintenance costs
- Extend equipment lifetime

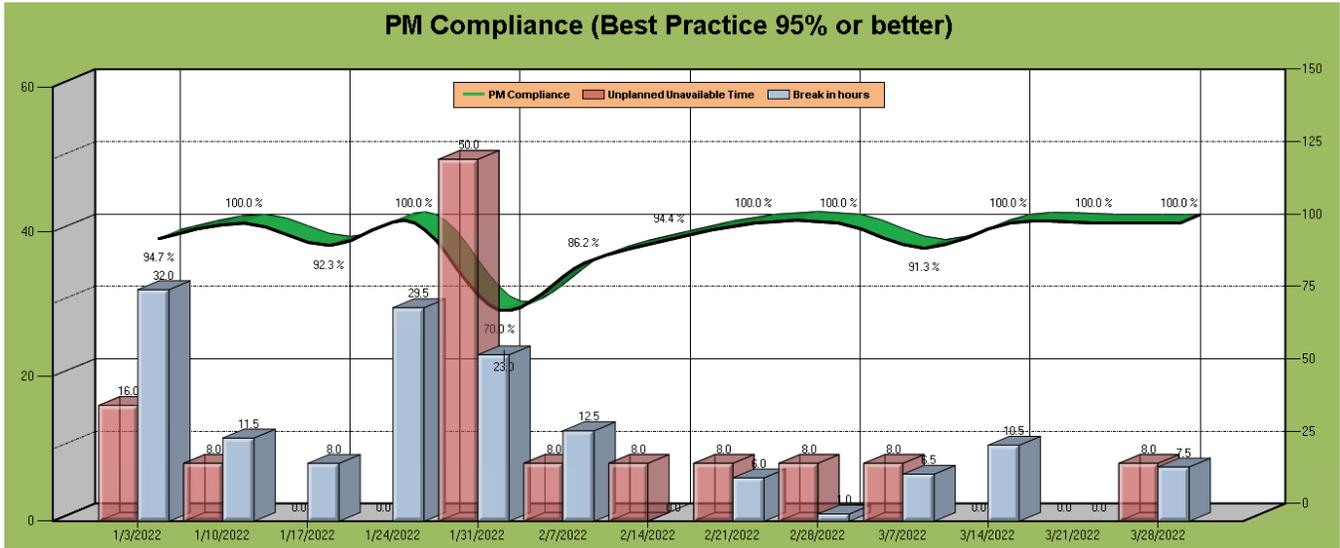
This technology will continue to move the maintenance program into a world class maintenance department. We hope to shift the Dodge Smart Sensor program from testing into expansion over the next quarter and test multiple bearings on varying types and styles of fans throughout the facility.



Screen shot of Smart Sensor online and mobile app portal.

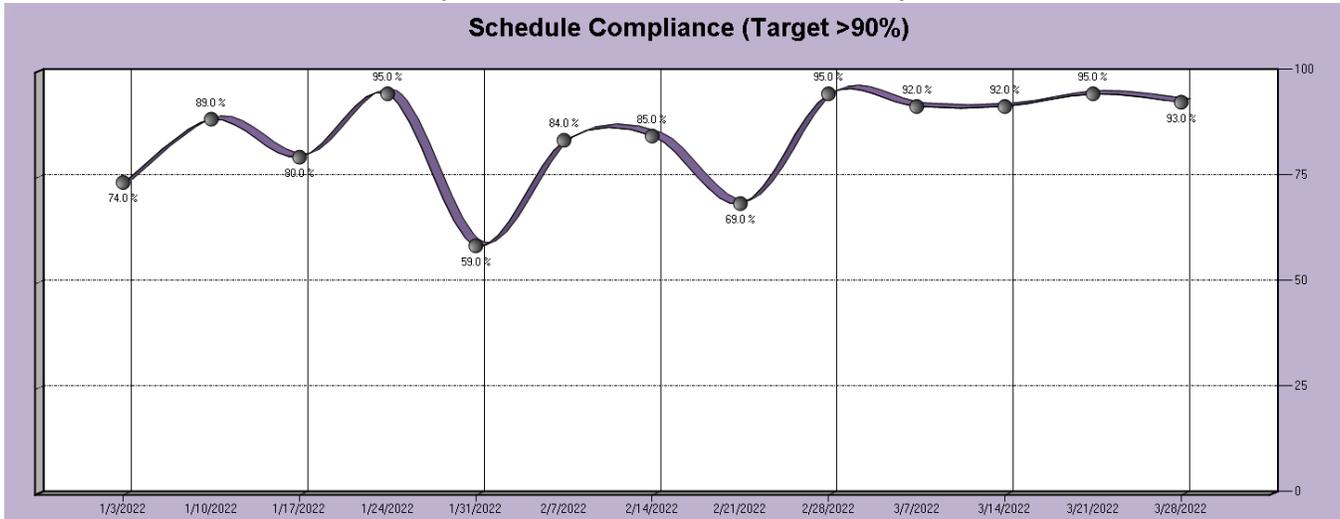
The maintenance team continues to strive for continuous improvement and reliability-centered maintenance strategies. One key element is to track maintenance activities and to share the report with the team. The following are reports generated with our maintenance scheduling software called PaSTA. Daily operations/maintenance coordination meetings allow the entire team to review completed work, and to prioritize work to be completed in the future.

PM Compliance for 2022 1st Quarter (Best Practice is 95% or better)



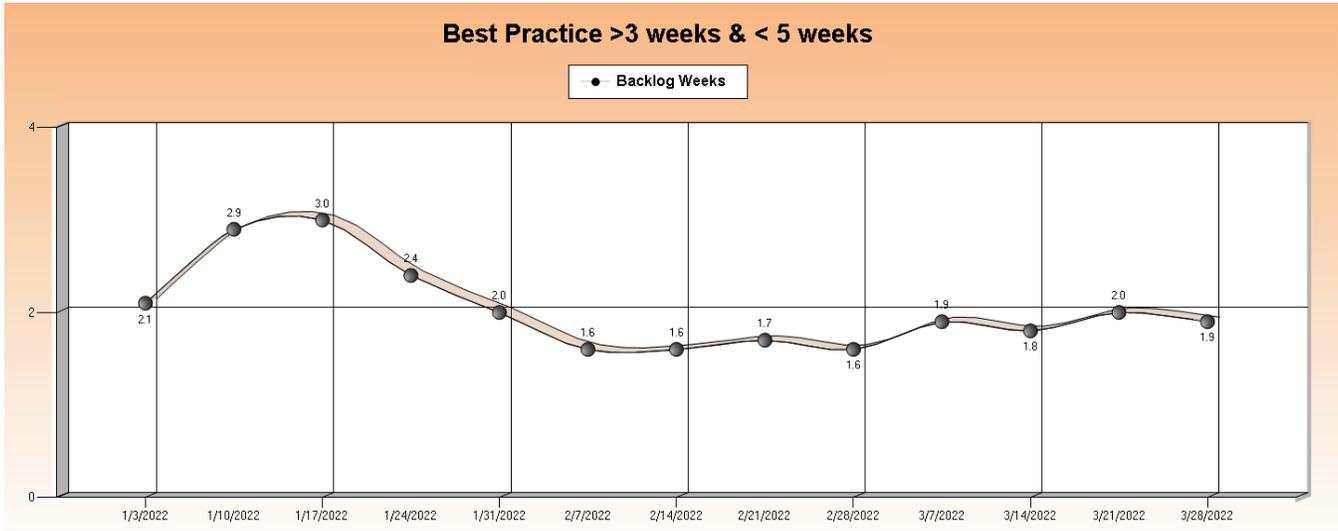
PM compliance measures how successful the staff has been in completing preventive maintenance tasks and, in doing so, opens the door to building better processes, optimizing our maintenance schedule, reducing downtime, and using resources more efficiently

Scheduled Compliance for 2022 1st Quarter (Best Practice is 80% or better)



Schedule compliance is a maintenance metric used for determining productivity and the effectiveness of scheduled maintenance processes. Schedule compliance measures the percentage of work orders completed on or before the due date over a given period

**Backlog in Weeks for 2022 1st Quarter
 (Best Practice is 5 Weeks or Less)**



The maintenance backlog is a time indicator that represents all the maintenance work required that has not yet been completed. Measured in weeks, the maintenance backlog quantifies the time needed to perform pending maintenance actions manufacturer design error

Recruitment

IERCF has 2 vacancies to fill. One Compost Operator and one Senior Compost Operations and Maintenance Technician. Staff is working with the IEUA Human Resources Department to fill the positions.

Outreach

Table 3: Summary of IERCA outreach activities:

ITEM	NUMBER
IERCF Tours (groups/people)	0
Garden in Every School	0
Site visitors (contractors)	97

IERCF Outreach and Tours

No tours of the facility were conducted during the months of January to March.

Sales and Marketing Report

Compost sales remain strong going into the warmer spring months when IERCF transitions from agricultural markets to landscape markets. Large on-going projects continue with DOT, landscape architects, and Caltrans; keeping through-put and production projections in line. Will call and contracted customers are continuing to meet expectations despite the recent fuel-related challenges. The facility continues to maintain a consistent customer base and grow market versatility. There is currently only 5,000 cubic yards in inventory; that is expected to be sold out by the end of May. Total revenue remains in line with the previous year despite the challenges faced with logistical and economic impacts of supply chain shortages and fuel pricing.

Association of Compost Producers, also known as ACP, in partnership with IERCF is currently creating a new marketing committee with Zero Food Print to promote and advocate the beneficial use of compost in Agriculture. Staff members continue to work closely with the ACP to inform public municipalities of the new Senate Bill 1383 (SB1383) which went into effect January 1st, 2022. SB1383 requires organics to be diverted from landfills and jurisdictions to procure compost based on their populations. ACP has developed guidelines to help jurisdictions define appropriate compost products as well as use instructions.

Table 4: Summary of monthly sales and revenue

MONTH	TOTAL YARDS 2021/2022	TOTAL YARDS 2020/2021	TOTAL REVENUE 2021/2022	TOTAL REVENUE 2020/2021
January	17,698.60	18,140.29	\$27,803.11	\$24,626.79
February	17,749.10	18,320.47	\$28,615.14	\$31,292.89
March	22,647.71	18,869.67	\$38,749.62	\$42,500.02
TOTAL	58,095.41	218,000.55	\$95,167.87	\$415,828.87
AVERAGE	19,365.14	18,166.71	\$31,722.62	\$34,652.41

Table 5:

The following tables summarize the Authority's aging reports and sales write off history.

5/23/22	Current	1 - 30 days	31 - 60 days	61 - 90 days	91 to 120 days	121 days	Total
Amount	153346.38	6.94	34014.39	890.87	9036.63	143417.25	340712.46
# of Invoices	65	1	17	3	6	107	199
# of Customers	49	1	13	3	6	37	72

Table 6

Quarterly Accounts Receivable Aging Report of IERCA (Sales only to third parties)				
	Description	From FY 2007/08 to FY2021/22	FY 2021/22 (January through March)	Total
	Sales	7,649,244.83	288,323,12	7,936,704.87
	Write off	35,727.52	-	35,727.52
	Percentage of Write Off Sales	0.4671%		0.4502%

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

INFORMATION ITEM

3B



Date: June 6, 2022

To: Honorable Board of Directors

From: Javier Chagoyen-Lazaro
Acting Treasurer DS
JC #882

Subject: Treasurer's Report of Financial Affairs for the Quarter Ended
March 31, 2022

RECOMMENDATION

The Treasurer's Report of Financial Affairs for the quarter ended March 31, 2022 is an informational item for the Board's review.

BACKGROUND

In accordance with State Code, Section 53646(b) (1), and the Authority's Investment Policy (Resolution No. 2021-5-3), a periodic investment report shall be submitted to members of the Board for review. This report includes in part, the investment types, investment institutions, maturity dates, investment amount, current market value, and rate of interest/earnings yield.

The Treasurer's Report of Financial Affairs for the quarter ended March 31, 2022, is hereby submitted in a format consistent with State requirements. As shown in the table below, March's total cash, investments, and restricted deposits equaled \$5,151,984 showing an increase of \$2,170,924 when compared to the December balance of \$2,981,060. The increase was mainly due to the timing of Biosolids payments and the \$1 million capital call contribution from IEUA And Los Angeles County Sanitation District.

The Authority's investment portfolio average rate of return in March 2022⁽¹⁾ was 0.167 percent compared to the December 2021 yield of 0.154 percent, primarily due to the increase in the LAIF account interest rate from 0.212 percent to 0.365 percent. As we begin to emerge from the COVID-19 pandemic coupled with the market volatility, the interest rate environment remains relatively low. Interest earnings for the quarter ended March 31, 2022 were \$1,316.

	December (1)	March (2)	Changes from Prior Quarter
Total Cash, Investments, Restricted Deposits	\$2,981,060	\$5,151,984	\$2,170,924
Investment Portfolio Average Rate of Return	0.154%	0.167 %	0.013%

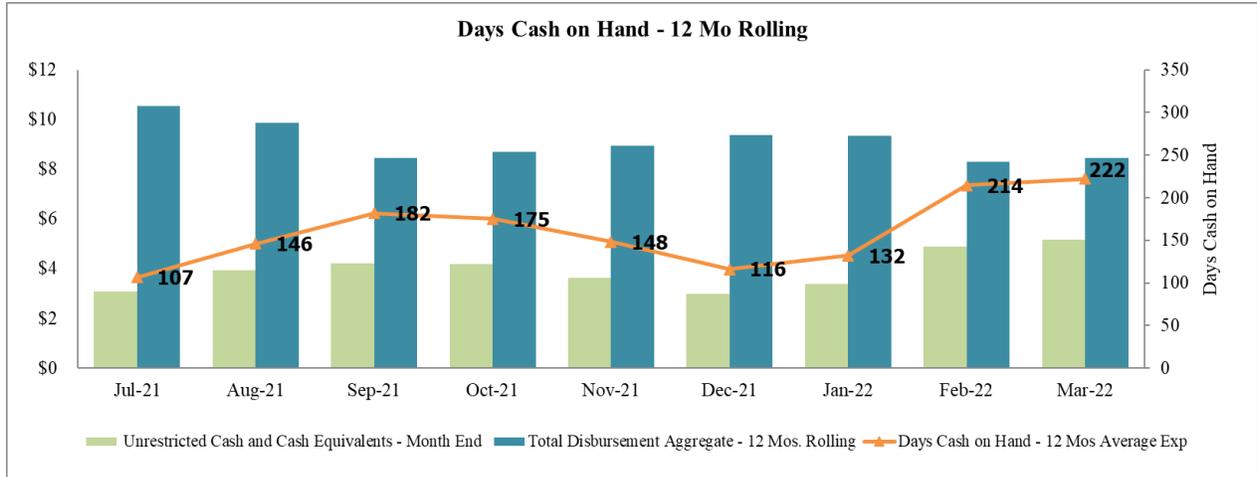
(1) Interest rates for the LA County Pooled Investment and LAIF as of November 2021

(2) Interest rates for the LA County Pooled Investment as of February 2022 and LAIF as of March 2022

June 6, 2022

Page 2 of 2

Cash on hand (COH) for the month ended March 31, 2022 was 222 days compared to the December 31, 2021 COH of 116 days, due to higher cash balance due to the timing of the biosolids payments and the \$1 million capital call contributions from IEUA and LA County Sanitation District. The COH is a financial ratio used to measure cash readily available to pay expenses. Average days of cash on hand is calculated using the monthly ending balance of unrestricted cash and cash equivalents divided by disbursements associated with operating and capital expense as recorded in the Authority's cash flow.



PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The interest earned on the Authority's investment portfolio increases the Authority's reserves.

Attachment: Treasurer's Report of Financial Affairs for quarter ended March 31, 2022.

TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Quarter Ended March 31, 2022



All investment transactions have been executed in accordance with the criteria stated in the Authority's Investment Policy (Resolution No. 2021-5-3), adopted by the Inland Empire Regional Composting Authority's Board of Directors during its regular meeting held on May 3, 2021. The funds anticipated to be available during the next six-month period are expected to be sufficient to meet all foreseen expenditures during the period.

** A Joint Powers Authority*

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Cash and Investment Summary

Quarter Ended

March 31, 2022

Unrestricted Accounts

Cash, Bank Deposits, and Bank Investment Accounts

Investments

Citizens Business Bank (CBB) Repurchase (Sweep)

LA County Pooled Investment

Local Agency Investment Fund (LAIF)

Total Investments

Total Unrestricted Cash and Investments Available to the Authority

Total Unrestricted Cash and Investments

Net Change from previous Quarter

	March	December
	\$592,279	\$566,535
	\$3,276,975	\$1,132,809
	\$275,644	\$275,209
	\$1,007,086	\$1,006,507
	\$4,559,705	\$2,414,525
	\$5,151,984	\$2,981,060
	\$5,151,984	\$2,981,060
	\$2,170,924	

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Cash and Investment Summary

Quarter Ended

March 31, 2022

Unrestricted Accounts

Cash, Bank Deposits, and Bank Investment Accounts

For the Quarter Ended March 31, 2022

Demand (Checking) Accounts	\$592,279
Subtotal Demand Deposits	\$592,279
<i>Total Cash and Bank Investment Accounts</i>	<u>\$592,279</u>

Investments

Citizens Business Bank (CBB) Repurchase (Sweep)	\$3,276,975
Local Agency Investment Fund (LAIF)	\$1,007,086
LA County Pooled Investment	\$275,644
	<u>\$4,559,705</u>
<i>Total Investments</i>	<u>\$4,559,705</u>

Total Cash, Investments and Restricted Deposits as of March 31, 2022 **\$5,151,984**

Total Unrestricted Cash and Investments as of 3/31/2022	<u>\$5,151,984</u>
Less: Total Unrestricted Cash and Investments as of 12/31/2021	<u>\$2,981,060</u>
<i>Total Quarterly Increase (Decrease)</i>	<u><u>\$2,170,924</u></u>

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Cash and Investment Summary

Quarter Ended

March 31, 2022

	Par	Principal	March	%	Market
Investments	Amount	Amount	Amortization	Yield	Value
<u>For the Quarter Ended March 31, 2021</u>					
<u>Cash, Bank Deposits, and Bank Investment Accounts</u>					
Citizens Business Bank					
Checking Account	\$592,279	\$592,279	\$592,279	N/A	\$592,279
Subtotal CBB	\$592,279	\$592,279	\$592,279	N/A	\$592,279
<i>Total Unrestricted Accounts</i>	\$592,279	\$592,279	\$592,279		\$592,279
<u>Investments</u>					
Citizens Business Bank Sweep ⁽¹⁾	\$3,276,975	\$3,276,975	\$3,276,975	0.100%	\$3,276,975
LA County Pooled Investment ⁽²⁾	\$275,644	\$275,644	\$275,644	0.590%	\$275,644
Local Agency Investment Fund ⁽²⁾	\$1,007,086	\$1,007,086	\$1,007,086	0.365%	\$1,007,086
Subtotal Investments	\$4,559,705	\$4,559,705	\$4,559,705	0.188%	\$4,559,705
<i>Total Investments</i>	\$4,559,705	\$4,559,705	\$4,559,705		\$4,559,705
<i>Total Unrestricted Cash and Investments as of March 31, 2022</i>	\$5,151,984	\$5,151,984	\$5,151,984		\$5,151,984

⁽¹⁾ Citizens Business Bank Sweep rate dropped from 0.15% to 0.10% on July 26, 2021.

⁽²⁾ Interest Rate information from LA County Pooled Investment and LAIF is as of February 2022.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Cash and Investment Summary

Quarter Ended
March 31, 2022

Unrestricted Accounts

Cash, Bank Deposits, and Bank Investment Accounts

	<u>Amount Invested</u>	<u>Yield</u>
Citizens Business Bank - Sweep Account ⁽¹⁾	\$3,276,975	0.100%
LA County Pooled Investment ⁽²⁾	\$275,644	0.590%
Local Agency Investment Fund ⁽²⁾	\$1,007,086	0.365%
	\$4,559,705	0.188%
Bank Accounts		
Citizens Business Bank -Demand Account	\$592,279	N/A
	\$592,279	
Total Portfolio	\$5,151,984	
Investment Portfolio Rate of Return		0.167%

Restricted/Transitory/Other Demand Accounts

	<u>Amount Invested</u>	<u>Yield</u>
Total Other Accounts	\$0	0.000%
Total Authority Directed Deposits	\$5,151,984	

(1) Citizens Business Bank Sweep rate dropped from 0.15% to 0.10% on July 26, 2021.

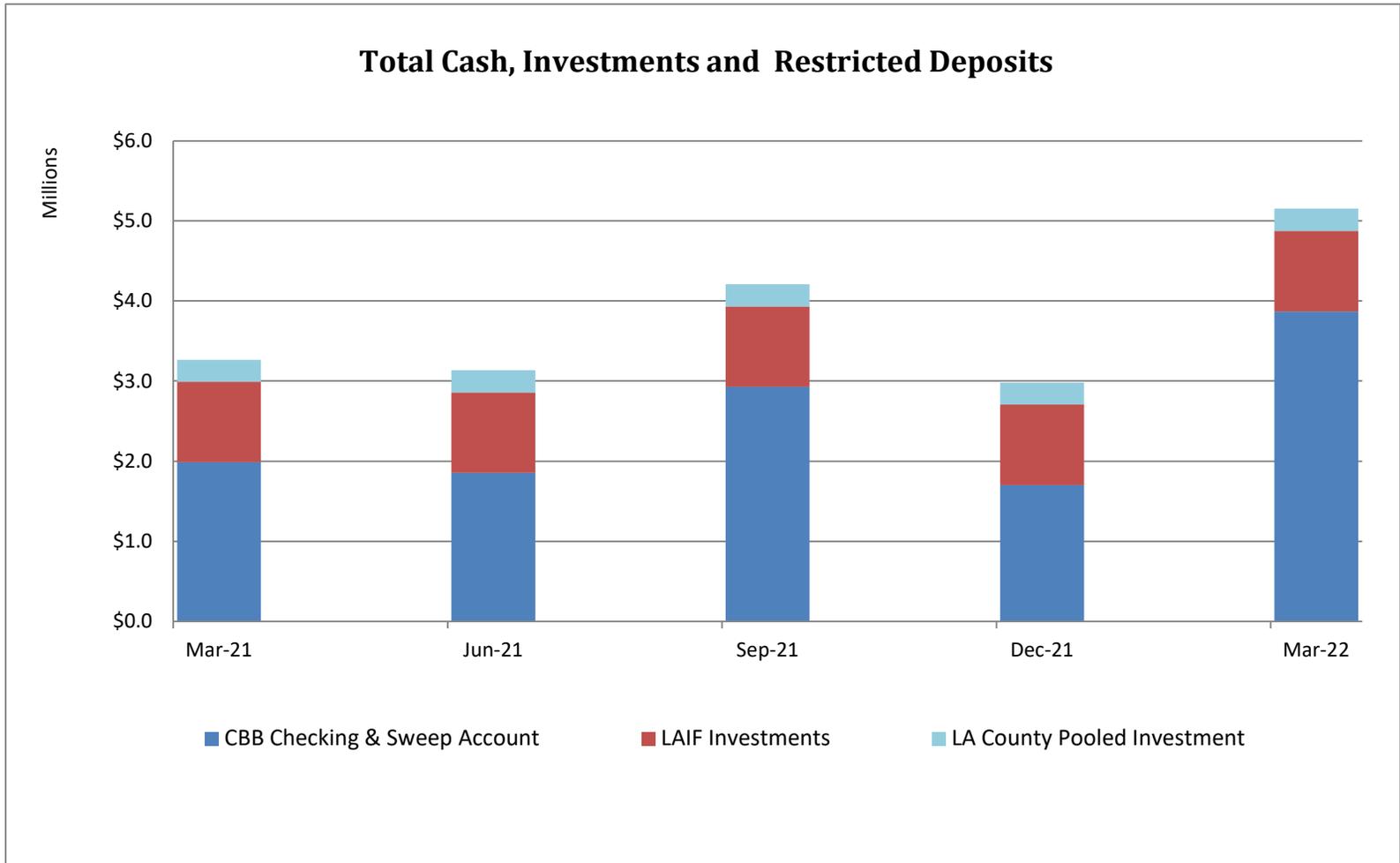
(2) Interest Rate information from LA County Pooled Investment and LAIF is as of February 2022.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Cash Position

Quarter Ended

March 31, 2022



INFORMATION ITEM

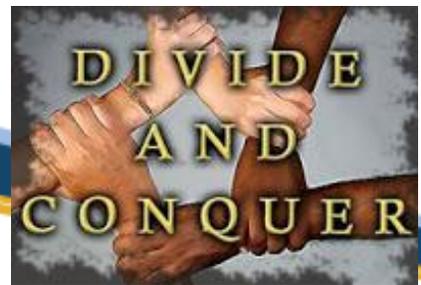
3C

IERCA AM Update

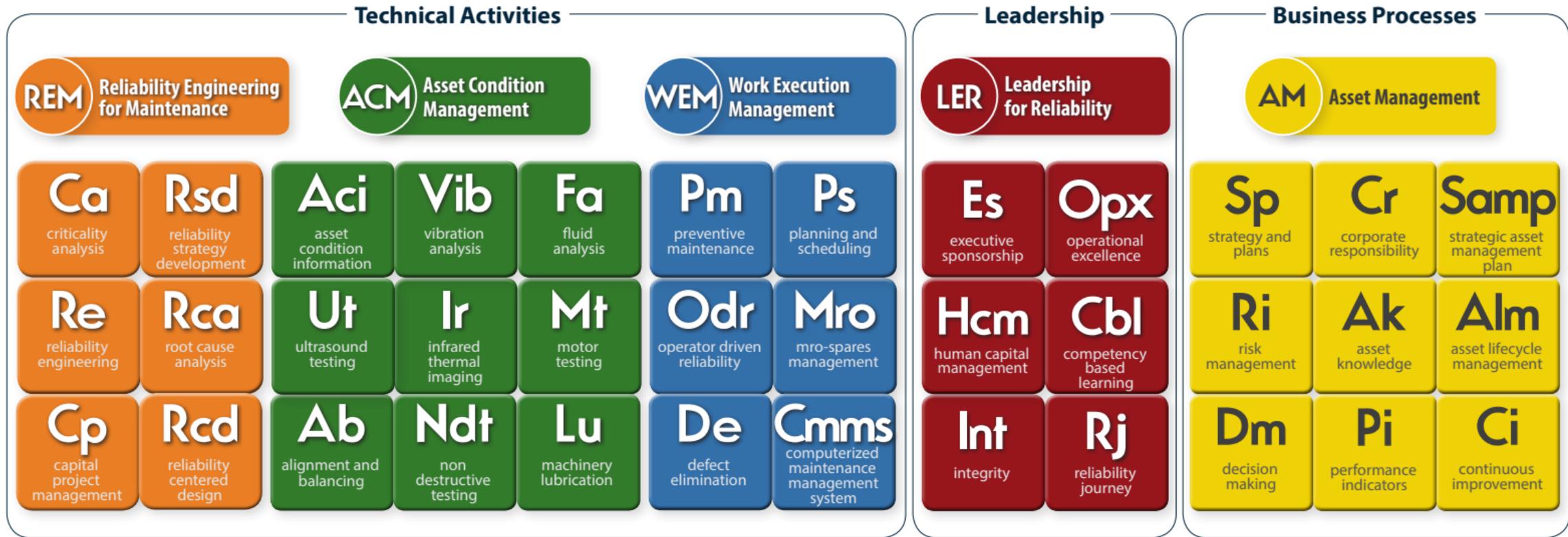


June 6, 2022

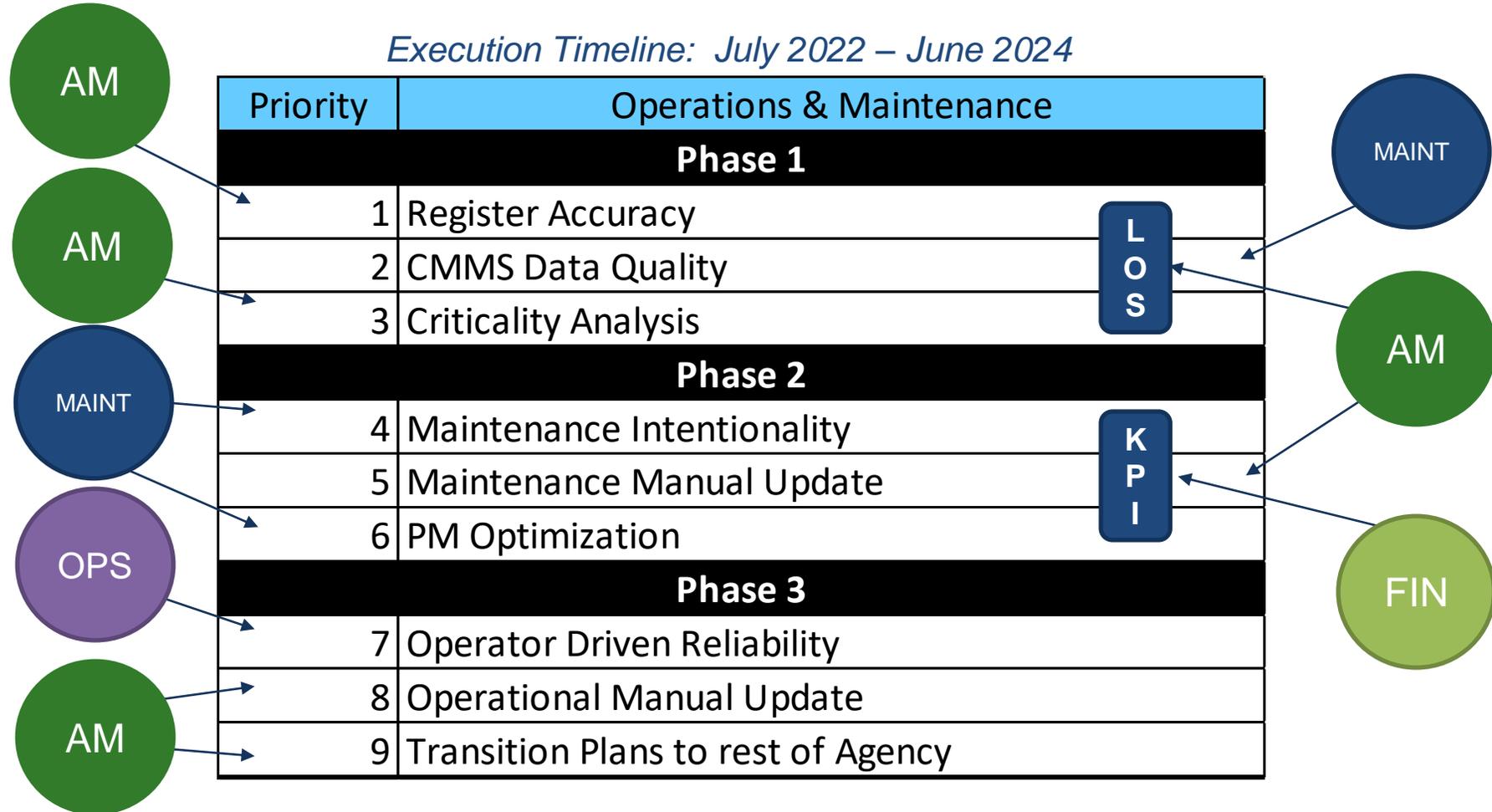
Uptime Elements



IEUA Asset Management Structure



Consensus: RP-4 Pilot



AM Dept Update



Roadmap

ISO Requirements Clause	AM Practice Area	2022	2023	2024	2025+
4.1, 4.2, 4.4, 5.1, 5.2, 6.2.1, 6.2.2, 7.3	Setting AM Policy and Direction	Leverage the Corporate AM Policy and AM Framework to future proof the Agency's AM Program			
		SAMP	Update the SAMP based on new and emerging business drivers and updated or new objectives for asset management		
6.2.2, 7.1, 9.1	Capital Projects and Maintenance Planning	Capital Projects Planning/Scheduling	Ongoing support and training for Advanced Planning and Scheduling		
5.3, 6.2.2, 8.1, 8.3 Outsourcing (scope), 9.1	Asset Life Cycle Decision Making	AMPs	Ongoing updates of Growth, Renewal, and O&M Master Plan Ongoing AMP development by asset class		
6.1, 6.2.2, 7.1, 8.1	Project, Operations, and Maintenance Delivery	Implement advanced practices for Operations, Maintenance and Engineering needed to execute the Growth, Renewal/Replacement and O&M Master Plans	Ongoing execution of Growth, Renewal, and O&M Master Plans and ongoing support and training for Advance Planning and Scheduling		
9.1, 10.1, 10.2	Asset Monitoring and Performance		LOS CAMP	Ongoing LOS and Performance Management Monitoring and Reporting Ongoing inspections, condition assessments and update to condition assessment protocols (all asset classes)	
4.2, 4.3, 5.1, 6.1, 6.2.2, 7.1, 7.3, 7.6.1, 7.6.2, 7.6.3, 8.1, 8.2, 9.1, 9.2, 9.3, 10.0	Quality and Risk Assurance Practices	Develop and implement an overall AM quality assurance process and an enterprise risk management framework to guide ongoing business effectiveness at the IEUA	Ongoing quality assurance and control (through audits) of the AM System and ongoing application of the enterprise risk management framework		
4.2, 5.1, 5.3, 7.1, 7.2, 7.3, 7.4, 7.6.2, 7.6.3, 8.2, 8.3	Organization	Governance	Ongoing AM Governance and support for AM development		

Consensus: GHD Initiatives



Proposed Initiatives

- 1) Criticality Analysis (as part of RP-4 Pilot)
- 2) Condition Assessment Master Plan (CAMP) ←
- 3) SAMP (last 50%)
- 4) Governance (AMSC & AM Dept Roles & Responsibilities)

**Black & Veatch
Lunch & Learn
(May 24th)**

AM Mission



**Improve
Reliability**

INFORMATION ITEM

3D

A photograph of a water treatment facility. In the foreground, there are large concrete basins filled with blue water. In the middle ground, there are several large yellow pipes and valves. In the background, there are snow-capped mountains under a clear blue sky. A dark blue semi-transparent banner is overlaid on the middle of the image, containing the title text.

IERCA SCAQMD Notice of Violation Update

Jeff Ziegenbein
Manager of Regional Composting Authority
June 6, 2022

Background

- South Coast Air Quality Management District (SCAQMD) is the local regulatory agency responsible for improving air quality in the South Coast Air Basin
- IERCA was in compliance with its Title V air permit from 2010 to 2020
 - Title V permits apply to major sources and have stricter reporting requirements
- On January 11, 2022, IERCA was written a Notice of Violation (NOV) by SCAQMD

Notice of Violation (NOV)

- SCAQMD issued IERCA an NOV on January 11, 2022

Description of Violation	IERCA Interpretation & Action
Failed to register facility and update registration annually thereafter under Rule 1133 for composting operations	<ul style="list-style-type: none"> • Facility was not applicable to the registration requirement of Rule 1133 • Permit evaluation did not list 1133 as an applicable rule • Registered the facility under Rule 1133 prior to NOV
Failed to provide records for: <ul style="list-style-type: none"> • Background levels of ammonia or hydrocarbons outside the enclosure • Biofilter inlet flow rate and surface ammonia concentration 	<ul style="list-style-type: none"> • Records showing compliance were provided during the 2021 inspection • The same records were provided again
Failed to demonstrate that all curing is conducted using an aeration system that operates under negative pressure for no less than 90 percent of its blower(s) operating cycle	<ul style="list-style-type: none"> • The entire operation including curing are conducted under negative pressure 100% of the time as the entire operation vents into the enclosure which is constantly kept at negative pressure • Track blower operating hours to demonstrate >90% operating cycle

Timeline

- 5/10/21 SCAQMD Annual Title V Inspection
- 8/20/21 Inspector issued Notice to Comply (NTC) to provide records of Rule 1133 registration, operating/monitoring records, and compliance plan submittal
- 9/21/21 IERCA provided complimentary documentation to the records provided during the initial inspection and requested for additional clarification; received no response
- 1/11/22 Inspector issued Notice of Violation (NOV) for failing to provide appropriate records
- 2/16/22 SCAQMD Annual Title V Inspection; no issues were raised
- 3/28/22 IERCA initiated consultation services with the Law Offices of Curtis Coleman (previous SCAQMD general counsel)
- 3/31/22 Inspector emailed request for records demonstrating compliance with the issued NOV
- 4/5/22 - 4/26/22 Requested records were provided to SCAQMD, which were heavily scrutinized resulting in back-and-forth communications between IERCA and SCAQMD Enforcement
- 5/4/22 The NOV for IERCA was dispositioned as in compliance

Next Steps

- Await communication from SCAQMD Legal Counsel regarding the NOV
- Continue dialogue with SCAQMD on rule applicability and address limited communication by Enforcement staff